

## Reagan Cites Soviet Power In Backing Defense Budget

By George C. Wilson  
Washington Post Service

WASHINGTON — President Ronald Reagan accused Soviet leaders Wednesday of "using their military power to extend their influence and enforce their will in every corner of the globe" as he marked the release of a new U.S. government booklet giving what it called the facts about the Russian buildup.

Mr. Reagan's prepared remarks were part of the administration's public relations offensive to convince the American public and Congress that it would be unsafe to

substantially cut the president's \$74-billion military budget.

Tass, assailed President Reagan for his anti-communism and stand on nuclear arms. Page 2.

Secretary of Defense Caspar W. Weinberger joined in the campaign by alleging at a Pentagon press conference that the Soviet Union was bent on "world domination."

The 107-page booklet entitled "Soviet Military Power" was released for publication at the start of that press conference.

In the booklet, the Defense Intelligence Agency gives what it says

are details about the Soviet nuclear and conventional forces. The report, however, makes no startling disclosures.

A senior official involved with the booklet, in briefing reporters Tuesday on the agency's findings, said his own opinion after reading the secret information was that Soviet forces "don't have an edge" over U.S. strategic forces.

"Strategically we are better," he said.

His conclusion caused laughter among reporters and consternation among Pentagon officials.

On Wednesday a "supplementa-

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## Thomson Loses Bid for Grundig, Buys 75% Interest in Telefunken

By Axel Krause  
International Herald Tribune

PARIS — France's nationalized Thomson-Brandt, rebuffed in its bid for Grundig, West Germany's largest consumer-electronics company, said Wednesday it had acquired 75 percent of Telefunken, a smaller West German consumer-electronics company.

Thomson's move followed notification from the West German Cartel Office in Berlin that the bid for Grundig conflicted with West German antitrust law. The decision, which had been expected, was made public by the companies Wednesday.

The ruling on the Grundig bid and Thomson's decision to refrain from appealing it to the West German government were viewed by industry sources as a blow to the French government's goal of creating a European solution to competition from Japanese and U.S. electronics companies.

Telefunken was a subsidiary of AEG-Telefunken. Thomson and AEG said they had agreed not to disclose the purchase price.

Authoritative European industry sources said the amount was considerably below the 800 million Deutsche marks (\$330 million) the French company initially offered to pay for 75 percent of Grundig.

Telefunken is roughly half the size of Grundig and employs about 4,000 people, compared with 30,000 at Grundig, Thomson said.

Thomson's acquisition of Telefunken, effective March 31, must be approved by the Cartel Office within four months.

Authoritative West German sources said Wednesday that they doubted it would present the same antitrust problems as the Thomson bid for Grundig.

"There should be no great opposition on antitrust grounds in this case," said a West German official, indicating the decision could be made soon after cartel authorities have examined the application.

A senior West German executive close to the negotiations said: "The French wound up with a good, but second-best answer — with a Japanese flavor."

The executive, who declined to be identified, was referring in Telefunken's 33-percent shareholding in a videotape recorder assembly plant located in Berlin that Thom-



Alain Gomez

son will acquire as part of the transaction.

The Berlin operation is based entirely on the technology of Victor Co. of Japan. The remaining shares in the plant, which produces roughly 200,000 videotape recorders annually, are split equally between Victor and Thomson.

"We have a European solution and we are relatively satisfied," said Jean-Daniel Pigasse, director of communications for Thomson.

AEG-Telefunken's debt plan is nearly completed. Page 11.

He explained that the Cartel Office's rejection of Thomson's bid, contained in a 15-page letter sent to both Thomson and Grundig on Monday, was based entirely on the fact that the two companies would wind up with a dominating position in the West German color television market. From the antitrust viewpoint, this is unacceptable.

"Given cartel arguments, there was no reason to appeal" the decision in Bonn, Mr. Pigasse said.

With the acquisition of Telefunken, Thomson's 21-percent share of the West German color television market will rise by only 5 percent, which is just slightly more than the 25-percent share held by Grundig and is more than double the 12-percent share held by Phi-

lips, the Dutch electronics company.

Had Thomson's initial proposal materialized, Thomson and Grundig would have wound up with 46 percent of the West German color television market. Philips played a key, behind-the-scenes role in blocking Thomson's bid to acquire Grundig, primarily by refusing to relinquish its 24.5-percent share in Grundig, despite urgings to sell its share by both Max Grundig, the company's founder, who originally agreed to sell his shares to Thomson, and Alain Gomez, chairman of the French company.

Shortly after Philips decided to maintain its Grundig share in late February, Mr. Pigasse said, "we seized on the opportunity" to complete negotiations for the acquisition of Telefunken, which he said had been initiated by Grundig.

Grundig suspended its negotiations with Telefunken in January amid reports that the Cartel Office would oppose the move. "The matter for us is dead," a senior Grundig executive said Wednesday.

The Thomson-Telefunken agreement was signed late Tuesday by Mr. Gomez and top officials of AEG-Telefunken, which will retain a 25-percent share in the subsidiary company that has been burdened by losses during the past few years and by weakened sales in West Germany and abroad.

Thomson officials in Paris declined to say what they intended to do with Telefunken and emphasized that they had not abandoned plans to build a videotape-recorder plant based on "European" technology. But the officials declined to say when or where such plans might materialize.

Meanwhile, Philips officials in Eindhoven said it was "possible" that the company might seek to increase its shareholding in Grundig but that such a decision could only be made after Philips had studied the Cartel Office decision rejecting the Thomson bid.

In 1979, the Cartel Office rejected Philips's bid to obtain more than its current share of Grundig. Authoritative West German industry sources said Wednesday that they doubted the office would change its view, but a executive said that "while it is still too early to tell how Philips and Grundig will relate to each other in the future, there will be movement."



MASS FUNERAL — Relatives and friends bear the coffins of 98 miners killed Monday in two gas explosions in a Turkish coal mine near the Black Sea port of Eregh. Survivors blamed Turkey's worst mine disaster in 50 years on official negligence. The authorities were accused of failing to carry out safety checks properly.

## Violence Greets Carter On Trip to West Bank

The Associated Press

BETHLEHEM — Violent demonstrations broke out in the West Bank and in the Arab sector of Jerusalem on Wednesday when Palestinians took to the streets in protest at the visit of former President Jimmy Carter of the United States.

After a 30-minute delay, Mr. Carter arrived in Bethlehem for a meeting with the city's Arab mayor, Elias Frej, a Palestinian moderate.

Israeli troops watched from rooftops to guard against disturbances, and soldiers on the ground stopped a group of Palestinian youths from rolling a flaming tire into Bethlehem's central square moments before Mr. Carter arrived.

A spokesman for the Jerusalem police, Ziv Rotem, said 13 youths were arrested after stoning police cars and marching in the walled Old City of Jerusalem. The military command said five Israelis were hurt in three separate attacks in the Hebron area.

Mr. Carter was forced to alter his itinerary on a heavily guarded tour of ancient shrines of Judaism and Islam in the Old City. Israeli radio reported. The police fired shots in the air to disperse one group of demonstrators.

Palestinian radicals revile Mr.

Carter as an author of the Camp David accords, which led to the peace treaty between Israel and Egypt.

Bethlehem University students boycotted classes to protest Mr. Carter's visit and barricaded themselves inside the walled campus, throwing bottles and stones over the walls to keep Israeli troops away. The soldiers fired tear-gas canisters onto the campus.

A student, masking his face with a headscarf, said the protests should show Mr. Carter that the Palestine Liberation Organization is the only representative of the Palestinian people. When president, Mr. Carter was bound by a U.S. promise to Israel not to recognize the PLO, but he met with PLO officials in Cairo before coming to Israel.

The Israeli Defense Forces said three soldiers were slightly hurt by glass fragments when their car was stoned south of Hebron, and two Israelis were hurt — one seriously enough to be hospitalized — when hit by stones in Hebron.

The military command said protests erupted in Nablus, Hebron, Halhoul and Yatta in the West Bank. Crowds of Arab youths threw stones in all four towns, and in Hebron stone barricades were erected on the main road.

After beginning the second day

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BUSINESS/FINANCE

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■ Turkey, moving uncertainly toward democracy, is the subject of an economic, political and military profile. Page 7S.

of his five-day visit to Israel with a jog around the walls of the Old City. Mr. Carter met with Defense Minister Moshe Arens.

Mr. Carter arrived in Israel on Tuesday and met with Prime Minister Menachem Begin and Foreign Minister Yitzhak Shamir.

The meetings were described as friendly despite Mr. Carter's harsh assessment of Mr. Begin in his recently published memoirs. The former president wrote that Mr. Begin was "recalcitrant" and never gave him a pleasant surprise during the 13-day Camp David summit with President Anwar Sadat in 1978 that led to the Israeli-Egyptian peace treaty.

After beginning the second day

## Nkomo Flees, Is Given Shelter In Botswana

By Joseph Lelyveld  
New York Times Service

BULAWAYO, Zimbabwe — Joshua Nkomo, who was once hailed as the father of Zimbabwe's independence movement, was reported Wednesday to have fled into exile in neighboring Botswana. He apparently told the authorities there that he had crossed the border in daylight, for their announcement said he arrived Tuesday afternoon. It was learned here, however, that he was driven late Tuesday night from a hiding place on the outskirts of Bulawayo and then crossed the border on foot with three companions.

The office of Botswana's president, Quett Masire, issued a carefully worded announcement that said Mr. Nkomo "intends to remain in Botswana temporarily while he explores possible ways of assisting to resolve the situation in his country."

[A Western diplomatic source in Gaborone, the Botswana capital, said Mr. Nkomo had met with President Masire on Wednesday morning after crossing the rugged bush country by Land-Rover to enter Botswana. The Associated Press reported.]

[Botswana officials would not elaborate on how Mr. Nkomo made the trip or say whether he was in Gaborone or elsewhere in the country.]

Mr. Nkomo, who is 66, corpulent and suffering from high blood pressure, was said to have trekked for three miles with his younger companions until they felt they were out of danger.

Botswana's carefully worded announcement said Mr. Nkomo would stay there a short time "to explore possible ways of assisting to resolve the situation in his country."

His flight came a little more than a year after Prime Minister Robert Mugabe, with whom he had an uneasy alliance in the final stages of the independence struggle, purged

him from the cabinet. And it came only three days after he accused Mr. Mugabe of seeking to have him killed.

The charge was provoked by a raid by an army search party on his residence in Bulawayo on Saturday. Mr. Nkomo was not there when soldiers of the 5th Brigade, a North Korean-trained combat unit with special ties to Mr. Mugabe's party, burst into the house. But his driver was shot and killed.

The incident, which was not reported in Zimbabwe's semi-official press until three days after it occurred, followed weeks of reports that Shona-speaking government forces were indiscriminately killing Ndebele-speaking villagers in the countryside north and west of Bulawayo on the merest suspicion of ties to the guerrilla force that once fought under Mr. Nkomo's banner.

Church and welfare groups have furnished the government with specific details of more than 200 such killings, while unofficial estimates of those killed by government troops in the past six weeks range between 400 and 1,000.

The crackdown was aimed at armed deserters from the national army, members of the minority Ndebele group, who fled last year into rural Matabeleland, as the western part of the country is known, after the prime minister pushed Mr. Nkomo out of the government and ordered the arrest of the two top officers from the old Nkomo guerrilla faction, Dumiso Dabengwa and Lookout Masuku.

The deserters, who seem to operate in small bands without a command structure to coordinate their activities, have been responsible for sporadic acts of terrorism, including attacks on white farmers and the abduction of six foreign tourists who were never released.

As government forces struck back, Mr. Mugabe and his colleagues tended increasingly to identify the so-called dissidents

(Continued on Page 2, Col. 3)

## Army's Chief of Staff Is Replaced in France

By John Vinocur  
New York Times Service

PARIS — The chief of staff of the French Army was replaced Wednesday following his complaints about the government's intention to make cuts in the army's manpower and missions.

A statement by Defense Minister Charles Hernu suggested that General Jean Delaunay was being disciplined for his comment in December that the reductions would "lead to an army diminished in size, weakened in its structure, aging in its equipment and affected in its moral."

"There must be discipline in an army," Mr. Hernu said after attending a cabinet meeting at which he named General René Imbot to be the new army chief of staff. "One cannot be of another mind than the policy decided by the political authorities."

There were some hints that the government's announcement was hastily prepared; it appeared unlikely that the leadership would seek a potentially embarrassing political development just days before Sunday's second round of balloting in nationwide municipal elections.

Two opposition morning newspapers reported that General Delaunay, who under normal circumstances would have left the post next year, handed in his resignation Tuesday.

In announcing the change, Mr. Hernu offered his clearest acknowledgment to date that the size of French forces would be reduced.

Stressing that the essential element of French military spending must involve nuclear deterrence,

Mr. Hernu said: "It's obvious we've got to reduce and modify the existing structures." He added that "in this spirit and in order to apply the policies" of the Socialist government.

General Delaunay declined to talk to reporters about his department, but in addressing an officers' seminar he said "I am leaving the army not to abandon you, but to protect you." He did not elaborate.

The official strength of the three French armed services is put by the Defense Ministry at 577,884 men, with 311,166 in the army.

Military sources have reported that because of budgetary constraints the army's troop level will probably be reduced by as much as 35,000 soldiers over a 10-year period. That would likely involve the elimination of an infantry division and an armored division and the dissolution of one of the army's three corps.

A letter General Delaunay wrote stating his objections to the cuts created a scandal when it was disclosed in December. In France, unlike the United States and West Germany, complaints by generals about government funding decisions are unusual and are regarded as a breach of confidence.

In the letter, General Delaunay said he received a ministerial directive last summer that referred to cuts of 30,000 men and a reduction of about \$1.8 billion in equipment during the 1984-88 period.

That represented, he said, "not a simple evolution but a deep transformation of the army," and "a re-



Jean Delaunay

duction of its global operational capability and its flexibility."

By his calculations, the reductions would mean dissolution of 30 regiments, the closure of 20 garrisons and the reduction in size of a dozen others.

The Defense Ministry later referred to the directive as a "working document" whose views were not final. Details of the reductions are expected to be released later this year.

It is generally understood, however, that the emphasis on nuclear deterrence will require a new order of battle and a command system that tends to de-emphasize the overall role of the army, placing some of its previous nuclear responsibilities in the hands of the armed forces chief of staff.

## Reagan May Seek to Boost Salvador Aid Again

By John M. Goshko  
Washington Post Service

WASHINGTON — President Ronald Reagan has told congressional leaders that the administration may seek \$1.8 billion in additional military aid for El Salvador rather than the \$60 million it had discussed earlier.

Most of the extra \$50 million apparently would be earmarked for greatly expanded training of Salvadoran forces at Fort Bragg, North Carolina. Such a program apparently would be designed to ease public and congressional concern in the United States that Mr. Reagan may send large numbers of new military advisers to El Salvador.

U.S. officials said that bringing the Salvadorans to the United States could cost as much as 10 times more than training them in their own country.

[The White House said Mr. Reagan is to announce Thursday his decisions on further military aid to El Salvador and on overall Central American policy. Reuters reported Wednesday from Washington.] The new aid approach was disclosed as congressional leaders

told Mr. Reagan Tuesday that Congress probably would not reluctantly approve his request for more funds, but only if he agreed to certain conditions.

The conditions reportedly would require the White House to give assurances that no U.S. military personnel would be sent into combat situations and to promise greater effort to work out a political and diplomatic solution to the conflict.

"We will not Americanize this conflict," Mr. Reagan was quoted as saying aboard Air Force One as he flew later Tuesday to Orlando, Florida.

In an apparent bow to the congressional concerns, he and other U.S. officials also took what sounded like a more flexible approach toward negotiations between the Salvadoran government and its rebel opponents.

But, while the term "dialogue" suddenly began appearing frequently in administration pronouncements Tuesday, Mr. Reagan made clear that he still opposed any talks that might give the guerrillas a share of power without their taking part in elections.

"I will not support negotiations that short-circuit the democratic

process and carve up power behind people's backs," he reportedly said.

Leaders of both parties who attended Tuesday's meeting said Mr. Reagan emphasized his desire to find a "common course" with Congress on Central America. But they also said they were told that the price for such a consensus might be almost double what the administration had originally requested.

Sources present at the meeting said Defense Secretary Caspar W. Weinberger gave a breakdown of the estimated needs, which added up to \$110 million. They reported that he said the bulk of the money was necessary for training. But, they added, he said the administration also wanted to provide \$15 million for ammunition and \$35 million for "consumable" supplies.

The president began describing the situation as a crisis a little more than a week ago, after Congress failed to pass a foreign aid bill. Instead, Congress adopted a continuing resolution that gave the administration \$26 million for the present fiscal year rather than the \$61 million it had sought.

Salvadoran Amnesty Predicted  
El Salvador's deputy foreign

minister said Wednesday that his country will declare a general amnesty in August to smooth the way for a national election in December. Reuters reported from New Delhi.

The minister, Alejandro Gómez Vides, also said in an interview that a peace commission, consisting of church, union and human rights representatives, would be set up to devise ways for leftist guerrilla participation in the election.

U.S. Assailed on Probe

The family of an American killed by Salvadoran soldiers has charged that the U.S. government has delayed investigating the death to protect its contention that El Salvador is making progress in human rights. The New York Times reported from Los Angeles.

The American, Michael David Kline, a former San Diego resident, was shot dead Oct. 13 by soldiers who removed him from a bus. Although a report by the Salvadoran military said he was killed while trying to escape an autopsy in El Salvador, reportedly showed that the fatal shot had been fired from less than two feet away.

Qatar's oil minister, Sheikh Abdul Aziz bin Khalifa al-Thani, told reporters: "I think there will be a price cut, for sure." Reminded of Iran's position, he said such a cut would probably go through with majority approval.



# A Step Back to 1980: Reagan Woos the Religious Right

By Adam Clymer

New York Times Service

WASHINGTON — Talking of morality to a degree that presidents usually avoid, President Ronald Reagan has adhered not only to old-fashioned religion but to old-fashioned political wisdom: "Dance with the girl you came in with."

Before he got to the nuclear freeze issue and the passages on a God-fearing America and a godless Soviet Union, Mr. Reagan's speech Tuesday to the meeting of the National Association of Evangelicals in Orlando, Florida, sounded the themes that won him support from the religious right in his 1980 election.

In speaking against abortion and for school prayer and identifying himself as one of the "many God-fearing, dedicated, noble men and women in public life," Mr. Reagan appealed to a constituency that seemed, after his election, to have retired to the political sidelines.

To Paul Weyrich, a conservative who has urged Mr. Reagan to bow to the social issues that drew ordinary nonvoting evangelicals to the polls in 1980, Tuesday's speech "might as well have been a declaration of candidacy."

That view was backed by a high-ranking Republican strategist who asked not to be named. He said, "It could fairly be interpreted as another in a series of signals that a candidate is talking."

Mr. Weyrich, who heads the Committee for the Sur-

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vival of a Free Congress, said he told Mr. Reagan Monday to emphasize the moral arguments against a nuclear freeze. He also said: "If Ronald Reagan had sounded like that in 1982, the Republicans wouldn't have lost as many seats as they did."

Mr. Reagan's campaigning in November concentrated on defending his economic policies. There was little evidence of interest in the election from the white Protestant evangelicals who appeared to have voted in unusually heavy numbers two years before.

But on Tuesday, Mr. Reagan sounded like the candidate who in 1980 said in a Dallas speech, "The First Amendment was written not to protect the people and their laws from religious values, but to protect those values from government tyranny."

In Orlando, he said, "When our Founding Fathers

passed the First Amendment, they sought to protect churches from government interference. They never meant to construct a wall of hostility between government and the concept of religious belief itself."

That passage introduced a pledge to campaign for a constitutional amendment to allow organized prayer in public schools. "Let our children pray," Mr. Reagan said.

He also promised to fight in the courts recent judicial decisions that have prevented his administration from informing the parents of young people who get contraceptives from family planning clinics that receive federal aid.

National polls do not identify clearly the beliefs of the audience to whom his appeal for support was directed. But in September a New York Times-CBS News poll found that white Protestants who said they attended church regularly did indeed support school prayer and oppose abortion more strongly than the rest of the public.

In a survey of registered voters, 79 percent of the churchgoers backed a school prayer amendment. Sixty-two percent of the others surveyed said they did.

Thirty-six percent of the Protestants said they favored a constitutional amendment prohibiting abortion, compared with 25 percent of the others.

But the Protestant group was barely less approving of a freeze on the deployment and production of nuclear weapons. Sixty-four percent supported a freeze, while 70 percent of the others surveyed did.

However, Mr. Reagan sought to connect his audience's religious concerns with his opposition to a freeze, going from "we will never abandon our belief in God" to asserting that a freeze would be tolerable only if it would "freeze the Soviets' global desires."

A high-ranking Republican strategist said Tuesday that all these issues were important to strengthening Mr. Reagan's tie to the religious conservatives who were part of his 1980 base. But another conservative said the ambivalence with which the political right views Mr. Reagan cannot be washed away with one speech.

Richard A. Viguerie, the publisher of Conservative Digest, praised Mr. Reagan for "moralizing and sermonizing" on vital issues. But, he added, "It remains to be seen if the White House staff will stay the president's course and fight for these issues."

## Tass Assails Reagan On Arms Race Views And Anti-Communism

The Associated Press

MOSCOW — President Ronald Reagan's speech Tuesday to Christian evangelicals showed that his administration thinks only in terms of "confrontation and bellicose, lunatic anti-communism," Tass said Wednesday.

Mr. Reagan, in his address to the National Association of Evangelicals convention in Orlando, Florida, called the Soviet Union an "evil empire" and said a nuclear freeze would only hurt the United States, which must seek peace through military strength.

The Soviet news agency said that Mr. Reagan has a "pathological hatred" for socialism and communism and that his speech "came as an expression of the extreme militarism of the present Washington administration and of its reluctance to seek mutually acceptable agreements with the U.S.S.R. to curb the lethal danger of the arms race for mankind."

"Admitting that the peoples of the world live in a perilous age," Tass said, "the White House boss at the same time underscored his determination to 'build up America's military might' by spending fresh hundreds of billions of dollars to achieve these ends."

The state-run agency said Mr. Reagan spoke of the need for the United States to continue searching for an understanding with the Soviet Union.

But, Tass said, Mr. Reagan merely reiterated the U.S. position

at the arms reduction talks in Geneva, which the Russians have said they can never accept because it provides for U.S. military superiority.

Tass continued: "The administration's course of militarism and confrontation has resulted of late, in U.S. religious circles and practically in all the segments of U.S. public, in a sharp increase in anti-war sentiment, calls for establishing effective control over the arms race and for freezing nuclear arsenals."

The agency said, "Reagan saw it fit to show the 'path of truth' to the convention's participants and to deliver to them a lecture demanding not to hinder the administration in its pursuit of the policy of stepping up the arms race."

"To add insult to injury," Tass added, "Reagan is invoking 'religious morality' to try to justify the arms race, pronouncing the building-up of the U.S. military might to be a good thing."

"Such fits of anti-Soviet, bellicose hysteria cannot, however, change the public's attitude to the unpopular policies of the present administration."

The agency also expressed outrage at Mr. Reagan's assertion of the evils of communism, saying that he "has the cheek to assert that the founders and followers of the great doctrine of Marxist-Leninism 'reject every morality beyond the framework of class concepts.'"



PLASTER OF PROTEST — Parking meters on the Rue de Rennes in Paris were among about 3,500 covered with plaster by striking medical students, who protested changes in examination requirements.

## Communist in Cabinet In France to Visit U.S.

By Michael Dobbs

Washington Post Service

PARIS — Anicet Le Pors, a 51-year-old economist with a fondness for bow ties, may be about to stir up a diplomatic hornet's nest by becoming the first Communist minister in the French government to visit the United States.

Ostensibly Mr. Le Pors, who is minister of public administration in France's Socialist government, is traveling to the United States at the invitation of six American universities. But in an interview Tuesday he said he also expected to meet senior members of the Reagan administration, including Jeanne J. Kirkpatrick, the U.S. representative to the United Nations.

The visit, which Mr. Le Pors describes as "a private setting," has already created delicate diplomatic problems in view of the disapproval with which the United States greeted the entry of four Communist ministers into the French government in June 1981.

Vice President George Bush said the participation of Communists in the government was "bound to cause concern," while the State Department warned that the situation could adversely affect "the tone and content" of U.S. relations with a major European ally.

A further complication is the long-standing U.S. policy of refus-

ing visas to Communist Party officials from non-Communist countries in all but exceptional circumstances.

In the case of Mr. Le Pors, U.S. officials appear to have had little choice except to grant him a visa if they wanted to avoid an embarrassing controversy with France.

Mr. Le Pors is to arrive in the United States on March 17 and deliver lectures at New York University, Princeton University, George Washington University, Syracuse University, the University of Indiana and the University of Chicago before returning to Paris on March 27.

"Obviously I hope that we will benefit from being known better," he said, stressing that he will visit the United States as a government official, not in a private capacity. "What I want is a free discussion. I don't expect to change U.S. attitudes. I respect their right to their own point of view, but I also expect a reciprocal right to express my point of view."

U.S. officials have expressed fears about the security implications of Communist Party members gaining possible access to secrets of the North Atlantic Treaty Organization, while rightist French commentators have accused the Communists of using their time in government to place their men in key positions.

## Nkomo Flees Zimbabwe To Refuge in Botswana

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with Mr. Nkomo's ZAPU party and even with the Ndebele minority as a whole. The political conflict between Mr. Nkomo and the prime minister, who offered him the ceremonial position of president at the time of independence, has thus deepened into bitter ethnic antagonism.

Mr. Mugabe was in New Delhi at the nonaligned summit conference when his former political mentor fled the country. But the information minister, Nathan Shamuyirira, charged that Mr. Nkomo had gone abroad to "spread lies" about the pacification campaign by the national army.

The allegations of indiscriminate killings were dismissed by the minister as "fabrications of his frustrated mind."

Mr. Nkomo tried to slip out of the country last month in order to attend a conference in Prague, but he was stopped at the airport and briefly detained. It was then that his passport was confiscated.

As the news of his flight spread

rapidly through Bulawayo, reactions among Mr. Nkomo's followers veered between relief that he was now safe and fears that his departure would only hasten the barefaced rule of the Zimbabwe African People's Union — a move cabinet ministers have been threatening with increasing stridency. Wednesday evening, seven of the party's smaller branch offices in Matabeleland were ordered shut.

Immediate fears focused on hundreds of young men who were reported to have been trucked to military detention camps after the 5th Brigade's sweep through Bulawayo's western suburbs last weekend. A well-placed military source said 900 men were still being held when the operation ended.

Even if Mr. Nkomo's exile does not prove to be permanent, his flight seemed a sad climax to a career in the national movement that lasted more than three decades and was generally dedicated, even his critics concede, to playing down ethnic differences.

## UN Panel Criticizes 'Severe Punishments' Inflicted on the Poles

By Iain Guest

International Herald Tribune

GENEVA — For the second successive year, Western delegations on the United Nations Human Rights Commission have forced through a resolution criticizing the Polish government for human rights violations.

The resolution, accepted in the 43-nation commission late Tuesday by a 19-14 vote with 10 abstentions, expresses concern at "severe punishments" imposed on Poles convicted of offenses under martial law last year and the suppression of the Solidarity trade union.

The resolution also calls on the UN secretary-general, Javier Pérez de Cuellar, to reappoint a special envoy to investigate human rights in Poland and report to the commission next year.

The Polish government had adamantly refused to admit Hago Gohbi, an Argentinian-born envoy, who was appointed by Mr. Pérez de Cuellar in December, after a similar resolution was adopted in March 1982.

Reading from a prepared text immediately after the vote, Henryk Sokalski, the Polish delegate, described the resolution as "another miscarriage of international justice vis-à-vis my country." He added that Poland would not participate in "any form of its implementation."

Richard Shifter, the U.S. delegate, said the vote was "appropriate under the circumstances." He said that the Polish government was now engaged in a "deliberate campaign against intellectuals."

Jerzy Milewsky, the director of Solidarity's office abroad, in Brussels, said the vote would be encouraging to Poles.

Felice Gaer, executive director of the New York-based International League for Human Rights,

said the resolution was "a small step toward bringing some balance into the work of the U.N., a great step for the people of Poland."

He said the resolution was "a small step toward bringing some balance into the work of the U.N., a great step for the people of Poland."

The resolution stated "profound concern" over violations in Iran, specifying "evidence of summary and arbitrary executions, torture, detention without trial, religious intolerance and persecution."

The vote on Poland followed three hours of debate on proposals by Cuba, Nicaragua and Mozambique to have the item postponed. The vote on the resolution was almost identical to a vote on Poland in the commission last year, with Senegal, Togo, Fiji, Costa Rica, Uruguay and the Philippines joining Western delegates and Japan in support.

Mr. Sokalski, deputy director in the Ministry of Foreign Affairs, had pointed out that martial law was permitted under the 1966 international covenant on civil and political rights as long as other signatories were kept informed and martial law was temporary.

But several human rights lobbyists had replied that 3,000 to 4,000 Poles were still in jail for offenses under martial law.

## Reagan Cites Soviet Power In Defending U.S. Buildup

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ry" statement was released that, like the first one, was issued on a "background" basis, which means that it is not for attribution.

In the second statement, the senior official said: "I mean the United States has an edge in the largest sense — society compared to society."

He added he agreed with Mr. Weinberger's statement that "the Soviets have acquired a margin of nuclear superiority in most important categories."

The agency's report updates a similar document released by the Pentagon in September 1981.

"If the American people are asked to support our defense posture, they must get the straight facts about this threat," Mr. Reagan said.

Administration officials said

300,000 copies of the new report are to be printed by the Government Printing Office and sold in the United States and abroad for \$6.50 each.

Mr. Weinberger has been under pressure from critics who contend that Mr. Reagan's fiscal 1984 military request of \$274.1 billion in spending authorities and \$238.6 billion in outlays is excessive considering the likelihood that U.S. budget deficits will soon be running \$200 billion or more.

The defense secretary reportedly pushed the intelligence community to release information on Soviet weapons and forces that had previously been kept secret.

The Defense Intelligence Agency uses artist's renderings, photographs and charts to help it describe what it says are Soviet weapons and their capabilities. It also discusses what it says are new trends in Soviet military strategy.

The agency said the Soviet Union was moving aggressively to seize the military high ground of outer space. In ground warfare, the report said, Moscow is opting for the same kind of highly mobile, deep-penetrating military units that the U.S. Army favors in its plans for future forces.

"On any given day," the report says, "70 to 110 Soviet satellites are in orbit more than half of which serve military purposes solely."

It continued: "Current evidence indicates that the Soviets are developing a reusable space system, similar to the U.S. space shuttle, and a smaller space plane. Orbital development test flights of the smaller vehicle have already occurred. These systems could be in regular use within a decade and will further expand the military flexibility and capability of the Soviet space effort."

As the Soviet Union launches an increasing number of satellites for spying, communicating, navigating and warning of nuclear attack, it is stepping up its efforts to develop a capability to destroy U.S. satellites that do the same things, according to the report.

31,400 Volvos Recalled

The Associated Press

DETROIT — More than 31,400 Volvos of the 1982 DL and GL models are being recalled because they may have a defective electronic ignition system that could cause stalling and accidents.

## WORLD BRIEFS

### Italian Urges U.S.-Soviet Talks

WASHINGTON (AP) — Foreign Minister Emilio Colombo of Italy on Wednesday urged President Ronald Reagan to meet with Yuri V. Andropov of the Soviet Union and to make a new U.S. proposal to the Soviet Union on nuclear weapons stationed in Europe.

Mr. Colombo, after meeting with Mr. Reagan, said: "The president appears open to an injection of new energy in the negotiations, open to examining with the allies the problems that would come from it."

He said the West German elections, which strengthened Chancellor Helmut Kohl's political position, also strengthened the Western alliance and "therefore offer to the alliance the possibility of injecting new energy in the negotiations on European issues while adhering to the commitments undertaken by each ally."

### China Is Expected to Free Painter

HONG KONG (AP) — China is to free Li Shuang, an avant-garde painter whose detention in 1981 caused a diplomatic incident with France, the Far Eastern Economic Review reported.

The Hong Kong-based weekly said the painter, who was romantically linked with Emmanuel Bebel, a French diplomat based in Peking, would be released from detention before the visit to China in May of President François Mitterrand of France.

The magazine quoted Chinese sources as saying Miss Li was being released because she had behaved herself well during her two-year period of "re-education through labor." The Chinese authorities said in November 1981 that Miss Li had been detained for her "blatant violation of Chinese law."

### Walesa Attends Unionist's Trial

GRUDZIADZ, Poland (Reuters) — Lech Walesa, leader of the banned trade union Solidarity, attended the trial Wednesday of Anna Walentynowicz, a union member accused of inciting Gdansk shipyard workers to resist martial law.

Mrs. Walentynowicz, 53, a former welder and crane driver, pleaded not guilty to charges of continuing union activity after it was banned under the military clampdown on Dec. 13, 1981. The trial was adjourned until Friday, when the verdict is expected. Mrs. Walentynowicz's dismissal from the Gdansk shipyard in 1980 precipitated the strike that led to the creation of Solidarity.

During a break in the hearing, Mr. Walesa walked up to Mrs. Walentynowicz and shook hands with her. A supporter handed her a bouquet of tulips. Mr. Walesa had traveled from his home in Gdansk for a rare public appearance since being forced by the authorities to keep a low profile following release from internment in November.

### Rwanda to Settle Uganda Refugees

KAMPALA, Uganda (UPI) — Rwanda has agreed to settle more than 30,000 persons who fled to Rwanda from Uganda in September, Uganda radio said Wednesday.

The report said the agreement was part of an 11-point communiqué signed by Uganda and Rwanda on Tuesday at the end of a three-day meeting in the southwestern Ugandan town of Kabale.

Uganda agreed to take back any refugees who could prove they were Ugandan citizens. Most of those who fled Uganda were ethnic Rwandans who had settled in Uganda 20 years ago to escape tribal and civil strife in Rwanda and many had never changed their citizenship.

### 56 Arrested in Sudan Coup Plot

KHARTOUM, Sudan (Reuters) — Fifty-six persons have been arrested in Sudan on charges of plotting to overthrow President Gaafar Nimeiri, according to an announcement Wednesday by the official Sudan press agency.

The announcement accused Colonel Moamer Qadhafi of Libya of masterminding the coup that was to have occurred Feb. 18. It was put off on Colonel Qadhafi's orders, the agency said.

The arrests came after a period of tension on the Sudan-Libya border. President Nimeiri had said that Colonel Qadhafi was deploying troops, planes and military equipment in preparation for an attack on Sudan. Libya has strongly denied his accusations.

### Greens Outline Bundestag Plans

BONN — The radical Green Party outlined a political program Wednesday likely to enliven the new West German parliament elected Sunday. The Greens made clear that even though they 27 seats in the 498-seat Bundestag limited their voting power they intended to make a major impact.

Planned initiatives include a boycott of next month's national census, the disclosure of secret defense documents, peace marches on Geneva, Moscow and Washington and an investigation of allegations that the major political parties received funds illegally from the Friedrich Flick industrial conglomerate.

Petra Kelly, the party's best-known leader, said she would disclose any secret documents given to her if they were in what the Greens considered the public interest. Miss Kelly cited such examples as planned sites for nuclear missiles and the location of poisonous gas depots.

### For the Record

MOSCOW (UPI) — A British delegation began talks with Soviet officials Wednesday on a 15-year dispute over payment of about \$775,000 (\$517,580 pounds) in back property taxes on the Soviet trade delegation building in London.

NAIROBI (UPI) — A private in the disbanded Kenyan Air Force was sentenced to death Wednesday for his role in last August's abortive coup. Edward Omondi, 25, was the 11th Air Force man to be given the death penalty.

WASHINGTON (AP) — On the 50th anniversary of the date he was sworn in to Congress, Senator Jennings Randolph, 81, a West Virginia Democrat, announced Wednesday that he would seek re-election in 1984.

## U.S. Senate Rejects Limiting Air Liability

New York Times Service

WASHINGTON — The Senate has rejected an international agreement that would have increased airlines' liability in crashes but prevented passengers or their families from suing airlines and claiming that an air crash was the result of misconduct or negligence.

The major provision of the treaty, known as the Montreal Aviation Protocols, would have increased the liability of airlines from \$75,000 to about \$110,000 per passenger.

The treaty, written in large measure by U.S. negotiators, was the product of two decades of U.S. negotiations on airline liability issues and had been supported by the Ford, Carter and Reagan administrations. It was the first time the Senate has failed to ratify a treaty in nearly 25 years.

The Senate voted 50-42 Tuesday in favor of the treaty, but the agreement failed to receive the necessary two-thirds vote for ratification.

Critics of the protocols, which also would have permitted nations to create supplemental funds to compensate victims of air disasters or their families, said the treaty set liability rates that were artificially low. The critics, in particular the American Trial Lawyers Association, argued that there was no reason to limit passengers' rights to recover damages.

"This was an outrageous assault on public safety and a sweetheart deal for the foreign governments that own airlines — all to the detriment of the American traveling public," said Senator Ernest F. Hollings, Democrat of South Carolina, who led the opponents of the treaty.

Senator Nancy L. Kassebaum,

Republican of Kansas, the treaty's leading advocate, said she had believed as recently as early this week that the treaty would be approved.

"We worked it very hard," she said, "but the trial lawyers worked it even harder."

The defeat was the first time the Senate had failed to approve a treaty since May 26, 1960, when a minor protocol to the Law of the Sea Convention did not win sufficient Senate support.

Sixteen Republicans joined 26 Democrats in voting against the treaty Tuesday. The Senate Foreign Relations Committee has twice recommended that the treaty be approved.

Although international law now sets a limit of liability at \$75,000 in cases of passenger death or injury, survivors of air crashes or relatives of victims of such crashes may sue under the "willful misconduct" clause.

Opponents of the treaty had argued that the removal of the "willful misconduct" clause would have implications for the safety of international air travel.

The United States had prepared a supplemental compensation plan that would have increased air tickets by a \$2 surcharge and would have permitted victims to recover as much as an additional \$200,000.

The compensation plan, along with the approximately \$110,000 provided by the treaty, would have made available a possible \$310,000 in claims for U.S. passengers.

The Air Transport Association of America, representing the major scheduled airlines, supported the treaty. William Jackman, the association's assistant vice president, said the treaty "would have been in the best interests of the traveling and shipping public."

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U-KO-150



## Appeal by EPA Chief To Activists Reported

By David Hoffman  
and Charles R. Babcock

WASHINGTON — Anne M. Burford, administrator of the Environmental Protection Agency, made an emotional appeal to a group of conservative Republican activists to urge President Ronald Reagan to keep her in the job, according to GOP sources.

Mrs. Burford made the appeal to the Western States Political Action Committee, a group of party officials and organizers who worked for Mr. Reagan's election in 1980. A source who attended the Feb. 26 closed-door meeting in Denver said Mrs. Burford was visibly shaken as she sought support.

It could not be learned whether the appeal had any direct result. But a week later, Mr. Reagan told Mrs. Burford that he was unwilling to fire her. Burford said she could keep her job as long as she wanted.

Senior Reagan aides have been seeking Mrs. Burford's removal because they say they believe she has become a serious political liability to the president.

Mrs. Burford received public support this week from Interior Secretary James G. Watt, who said in a speech in San Antonio, Texas, that she was "taking abuse that no public servant should have to endure." But Senator Alfonse M. D'Amato, a New York Republican, Tuesday joined other congressional Republicans calling for Mrs. Burford's resignation.

Meanwhile, congressional Democrats investigating the EPA have

been told that some documents they are seeking may have been destroyed or removed from agency files and that a senior EPA official may have ordered erasures of items on his appointment calendars after they were requested.

Mrs. Burford was cited for contempt of Congress in December after she refused, at Mr. Reagan's order, to provide a House subcommittee with documents on the EPA's \$1.6-billion fund to clean up toxic wastes.

This claim of executive privilege was undertaken in part at the urging of the Justice Department, which unsuccessfully filed suit on Mrs. Burford's behalf seeking to block the contempt citation.

Even as Mrs. Burford was appealing to the Republicans to send a message to Mr. Reagan, the outlines of a Justice Department decision that jolted her the following week were taking shape.

Later, after allegations were made of mismanagement, conflict of interest and political manipulation of EPA programs, President Reagan directed the Justice Department to investigate all charges of wrongdoing at the agency.

This confronted Justice Department lawyers with a potential conflict of interest: They would have to both investigate and defend Mrs. Burford. How it was resolved more than two weeks later left Mrs. Burford questioning whether the department and the White House had abandoned her.

Tom DeCair, chief spokesman for Attorney General William French Smith, said that immediately after Mr. Reagan's statement, Justice Department attorneys be-



Anne M. Burford

gan discussing how to resolve the apparent conflict.

The pressure on the department grew Feb. 24, when Representative Peter W. Rodino Jr., a New Jersey Democrat and chairman of the House Judiciary Committee, sent Attorney General Smith a letter asking questions about the apparent conflict and requesting internal documents about legal advice given Mrs. Burford.

The White House was also aware, officials said, that the Justice Department was under some pressure to resolve the problem.

Fred F. Fielding, White House counsel, talked with Deputy Attorney General Edward C. Schmults, administration officials said. They added that Mr. Schmults was not acting on direct orders from the White House.

Mr. DeCair said a large factor pushing the department to reach some decision last week was another deadline — Mrs. Burford's scheduled appointment to appear at House subcommittee hearings this week.

At a meeting last Thursday that administration officials have described as "stormy," Mr. Schmults and Assistant Attorney General Carol Dinkins, head of the Lands Division, informed Mrs. Burford they could no longer represent her before congressional investigating panels.

Mrs. Burford and her aides came away with the impression that they had been deserted on the executive privilege claim she had made at the request of President Reagan and the Justice Department. She let it be known through aides that she understood the Justice Department was dropping its defense of her in the executive privilege and contempt citation matters too.

On Monday, the Justice Department issued a clarifying letter. An EPA spokesman said Tuesday that the Justice Department "will defend us on any court action stemming from the executive privilege claim. Anything before a real live judge. What they won't do is represent her (and the agency) in front of the committees in Congress."

## Senate's Class of 1980 Gets Rebellious

By Helen Dewar

Washington Post Service

WASHINGTON — One of them wants \$2 billion spent immediately to finance what President Ronald Reagan derisively calls "make-work" jobs. Another accuses the administration of ignoring the hungry. A third says the administration is shortchanging mass transit.

A bunch of wild-eyed, big-spending Democrats?

No. What Mr. Reagan is hearing with increasing frequency is bery in the choir of the faithful: a rising demand for government action on the domestic front from the Senate Republican class of 1980, the mainstay of his tax-cut and spending-cut victories of the past two years.

"We lost some of the stars in our eyes because we watched the same president who started off in the right direction refuse to make the midcourse corrections that needed to be made," said Senator Mark Andrews of North Dakota, one of 16 Republican senators elected in the 1980 Reagan sweep.

"Instead of being innovative, we saw him with his feet frozen in concrete, his head in the sand, whichever way you want to look at it," he said in an interview last week.

Not all are as critical as Mr. Andrews. But just as Mr. Andrews lectures the administration for cutting food programs, Republicans Dan Quayle of Indiana pressures it to create jobs. Alfonse M. D'Amato of New York criticizes it for cutting transit funding and others

voice more independent views on issues ranging from the military to day-care centers.

In their own ways, responding to constituent needs intensified by the recession, they are advocating a social welfare role for government that the administration had sought to shrink during the last two years.

As a whole, the 1980 group is still tilted heavily to the right ideologically, and most members can be counted on to back Mr. Reagan in many tests of loyalty. It still has ideological purists such as Senators Jeremiah A. Denton of Alabama, John P. East of North Carolina and Steve Symms of Idaho.

The center of gravity, however, is shifting more toward the few who stood out from the start as pragmatists, such as Senators Slade Gorton of Washington and Warren B. Rudman of New Hampshire.

In retrospect, the class of '80 was probably never as monolithic as it appeared, especially as it has been portrayed in Democratic rhetoric about the discipline of the new Republican majority in the Senate in 1981.

In their campaigns and early months in office, these Republicans were swept along by Mr. Reagan's momentum, as were most other Republicans. But with the leveling of experience came the shock of the long recession, intensified by high interest rates, both of which have only recently begun to abate.

For many of the new Republican senators, the Reagan economic program lost some of its appeal as

inflation declined but most other indicators of economic health failed to rally. Their mood soured further when budget deficits, which most of the senators had campaigned to eliminate, soared, fueled by the recession and the administration's tax and military-spending policies.

Mr. Quayle was among the senators most alarmed about the recession because his state of Indiana was an early and severely crippled victim.

"I think most of us who come from the viewpoint that there's a certain risk" of too much government involvement "are reluctant from a philosophic standpoint to get into so-called job-creating programs," he said. "But we don't have any choice. We are in a very tough situation."

Reluctant or not, Mr. Quayle has plunged in. Last year, he co-sponsored with Senator Edward M. Kennedy, Democrat of Massachusetts, the Job Training Partnership Act and helped get a reluctant Mr. Reagan to support it.

This year, Mr. Quayle was among the senators who proposed jobs bills. His program would include the creation of public service jobs for the short run and several longer-term initiatives aimed at helping states such as Indiana that may never fully regain economic health.

"There's simply got to be a national employment strategy," Mr. Quayle said, acknowledging that "when you say that, all of a sudden

## Snow Belt Representatives Decry Regional Tilts in the U.S. Budget

By Edward Cowan

New York Times Service

WASHINGTON — Two representatives from the Snow Belt told the House Budget Committee that President Ronald Reagan's budget for 1984 would curtail or cancel programs that are "an economic lifeline without which our states cannot rebuild."

Robert W. Edgar, a Democrat of Pennsylvania, and Stewart B. McKinney, a Republican of Connecticut, testified Tuesday on behalf of the Northeast-Midwest Congressional Coalition, a bipartisan group of members of Congress from Minnesota to Maine.

They recommended that Congress spend more than Mr. Reagan proposed for economic development, jobs and training, renewal of public facilities, mass transit, food stamps, low-income energy assistance, child nutrition and revenue sharing.

To finance such outlays, they

recommended that Congress reduce the president's proposed funding for the military and for water and energy development, all of which they said confer disproportionate benefits on the South and Southwest.

Representative Edgar recommended that Congress repeal the 10-percent tax cut scheduled for July 1 and Representative McKinney recommended a deferral.

Regional issues will be among many elements in play in the next two months as the 98th Congress debates a first budget resolution for fiscal year 1984. Congressional leaders hope that the Senate and House will adopt their resolutions by March 25, with a joint conference to work out differences next month.

Senate aides reported that a meeting of senior Republican senators with Mr. Reagan on Monday failed to produce agreement on a military budget.

Mr. Reagan wants a 10-percent

increase after inflation next year but most Democrats and many Republicans believe a smaller rise, perhaps 5 to 6 percent as suggested by the Republican chairman of the Senate Budget Committee, Pete V. Domenici of New Mexico.

Another representative who testified at the House committee, Lee H. Hamilton of Indiana, reported that the Democrats on the Joint Economic Committee favored limiting the July 1 tax cut to \$700 for any one taxpayer, repeal of tax indexing and raising additional revenues after next year. Tax indexing is the automatic adjustment of income tax brackets to offset inflation.

The chairman, Senator Roger W. Jepsen, a Republican of Iowa, said all areas of the budget, including benefits for individuals and military spending, "must be scrutinized," Senator Jepsen said he personally favored repeal of tax indexing but only if Congress also repealed the indexing of benefits.

## Six Families Displaced by Dioxin Move Into Another Tainted Area

New York Times Service

KANSAS CITY, Missouri — Six families that moved from Times Beach, Missouri, to a nearby trailer park learned this week that they had exchanged one dioxin-contaminated home for another.

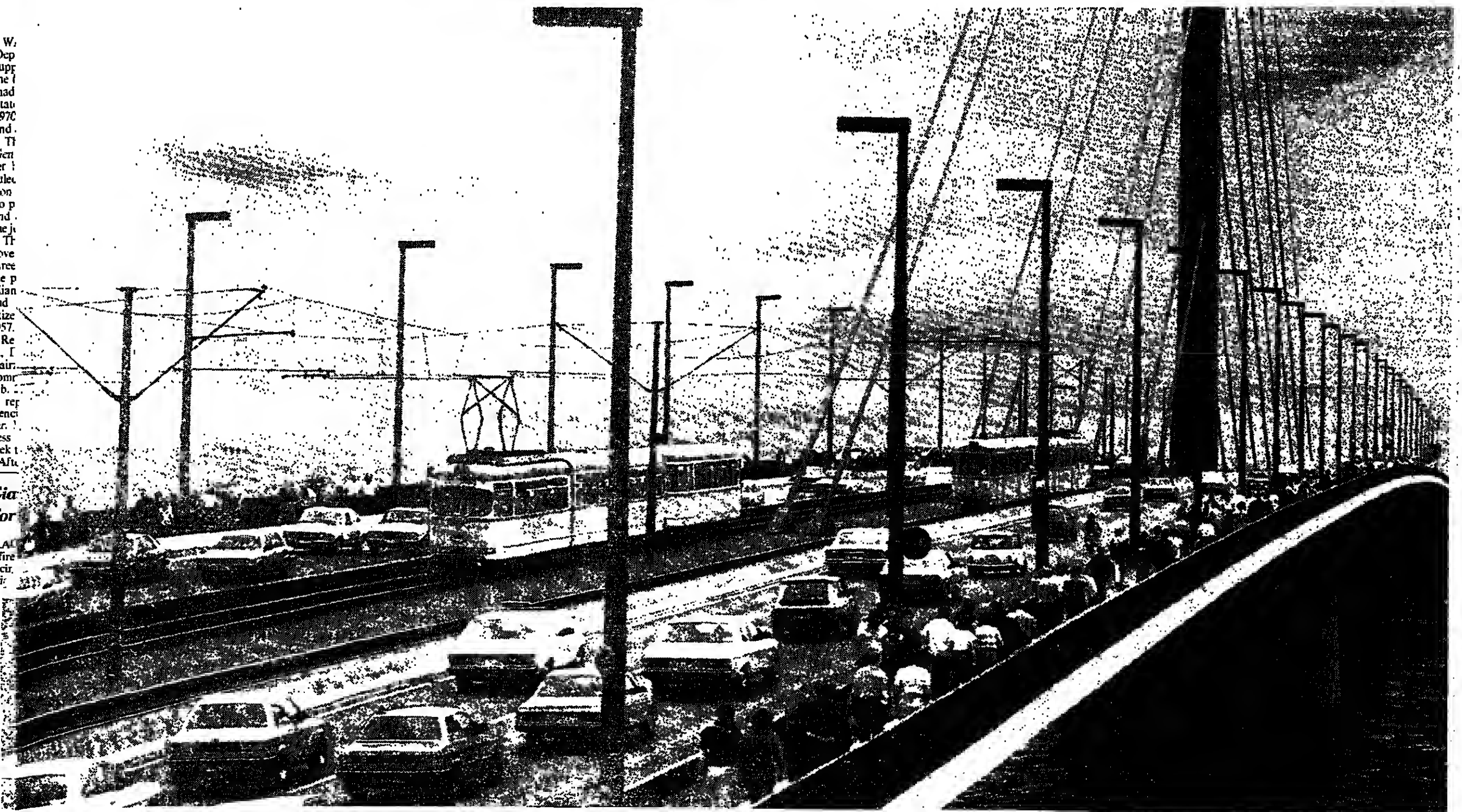
Quail Run Mobile Manor in Gray Summit, 35 miles (56 kilometers) southwest of St. Louis, is one of four more sites in Missouri where the ground is tainted by dioxin, state and federal officials announced Tuesday. That brings to 26 the number of known sites in Missouri where the highly toxic waste compound was improperly disposed of a decade ago.

Tuesday was also the day of the housewarming party at the trailer home of Walter and Reva Wibberg, who moved to Quail Run after December floods covered Times Beach and health officials said that dioxin made it unsafe to return.

"It might be a going-away party," Michael Wibberg, 22, said in a telephone interview as his mother entertained relatives. "Out of 26 sites, we seemed to pick two of them."

But officials announced no immediate action on the latest sites, except to advise those living near them to avoid contact with contaminated dirt.

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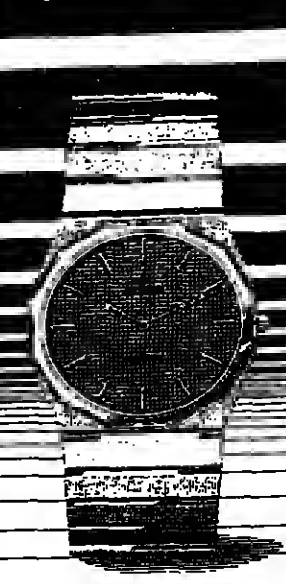
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# In Haiti, Pope Assails 'Injustice and Misery,' Urges 'Reawakening'

Compiled by Our Staff From Dispatches  
PORT-AU-PRINCE, Haiti — Pope John Paul II arrived in Haiti Wednesday and denounced "injustice and misery" afflicting people in the poorest nation of the Western Hemisphere.

The pope's airplane landed at the island capital of Port-au-Prince, his last stop in an eight-day visit to Central America and Haiti. He is to leave for Rome Wednesday night.

"Something must change here," the pope said at an airport Mass shortly after landing. It was his most strongly worded political and social statement of the journey.

He said Haiti, a mostly black, French-speaking nation that shares the Caribbean island of Hispaniola with the Dominican Republic, was afflicted by "injustice, excessive inequality, the degradation of the quality of life, misery, hunger, fear of many people."

"I have come to encourage a reawakening, a step forward by the church for the good of the country," the pope said.

President Jean-Claude Duvalier and his wife, Michelle, welcomed the pope at the Port-au-Prince airport as hundreds of thousands of Haitians cheered from behind a cyclone fence that kept them well away from the flower-decked altar for the papal Mass and the wooden grandstands erected for government and church officials, the diplomatic corps and the local elite.

Earlier, in Belize City, Belize, the pope said Mass before tens of thousands of people at the airport there. In his sermon he focused on "Christian unity, the unity to which the various churches and ecclesiastical communities are called." His sermon was the only one delivered in English during his

trip, during which he spoke mostly Spanish.

As the pope landed, the Vatican said it had established diplomatic relations with Belize, formerly known as British Honduras.

Buses and trucks began arriving well before dawn at the Belize airport. The pilgrims included thousands of Mexicans who had traveled from the nearby state of Yucatan and the territory of Quintana Roo.

The pontiff's trip included well-worn visits to Costa Rica and Panama and confrontations with Nicaragua's Marxist leaders and the Protestant president of Guatemala.

Created by crowds of hundreds of thousands in each country, John Paul consistently spoke for a need to help the poor and the downtrodden. He called for reconciliation and brotherhood to replace violence in the region.

In Guatemala, the pope pointedly chose as one of his audiences the country's Indians. He assured them that they are a race "blessed by God" and spoke out against discrimination.

In Panama, speaking to poor farmers, he urged: "There are those who are interested in seeing you abandon your work, grasping the arms of hatred and struggle against your brothers. You must not join them."

And he urged the clergy to stay out of political movements or public office in order to preserve its independence.

■ **Pope's Visit to Poland**  
The pope will visit Poland June 16-22. The Associated Press reported from Warsaw Wednesday, General Wojciech Jaruzelski, Poland's military leader, and Cardinal Jozef Glemp announced his visit after a meeting.



A soldier in a helicopter drops flowers on a crowd waiting for the pope in Honduras.

## Church, Voodoo Coexist in Haiti

By Juan de Onis  
International Herald Tribune

PORT AU PRINCE, Haiti — Pope John Paul II's last stop on his eight-day trip to Central America brought him Wednesday to this intensely religious country, where Roman Catholic priests are outnumbered 50 to 1 by voodoo priests.

Although voodoo beliefs and rites are condemned by Roman Catholic doctrine, and were once illegal here, the Catholic hierarchy does not openly challenge the voodoo cult. Voodoo, based on African magic, came with slaves brought by the French in the 18th century, when sugar-rich Haiti was

one of the jewels of the French colonial empire.

Indeed, in preparation for the papal visit, the Catholics have concentrated more on the government than on voodoo. Large open-air Masses have been held each evening in Port-au-Prince's main square, under a huge billboard lauding the president for life, Jean-Claude Duvalier. One Mass was said for persons who disappeared after being arrested.

In recent sermons, priests have been critical of corruption, of human rights violations, and of daily wages equivalent to \$2.60.

In January, six of the seven Haitian bishops signed a pastoral letter that protested the arrest and alleged prison mistreatment of Gerard Duclerville, a prominent lay Catholic worker who organized a Creole-language radio program that often criticized Mr. Duvalier's regime.

The bishops, however, have refrained from taking a strong public position on voodoo, apparently because they believe a confrontation would be too dangerous for both sides.

Under former President Francois Duvalier, Mr. Duvalier's father, the Roman Catholic hierarchy was repressed and the voodoo priests protected in exchange for political support. The French archbishop of Port-au-Prince was expelled, and the Vatican twice excommunicated Francois Duvalier.

The voodoo priests themselves, however, have sought to avoid antagonizing the Catholic hierarchy.

Many voodoo elders insist that the members of their community be baptized and take Communion. Most of the figures venerated in voodoo have direct equivalents among the Christian saints. The Virgin Mary is equated to Erzulie, mother of gods and mankind, and St. Patrick is seen as Dambala, a deity identified with snakes.

"You can say that Haiti is 80 percent Roman Catholic, 20 percent Protestant and 100 percent voodoo," said Max Beauvoir, a Haitian biochemist trained at the Sorbonne and Cornell University.

Mr. Beauvoir is a Hougan, or voodoo priest. On the night of the pope's arrival, he planned to beat the goatskin drums and gourd in honor of Erzulie, a voodoo spirit, rather than for John Paul.

There are 500 Roman Catholic priests now in Haiti, for a population of six million people. More than half the priests were born abroad.

"For every priest in a rural parish there are fifty or more leaf doctors, sorcerers, or voodoo priests, however you want to call it," said an American priest who has worked in Haiti for 12 years.

The huge turnout expected for John Paul showed, however, that a large number of poor Haitians who practice voodoo are still interested in the church. Emmanuel Adolphe, for example, headed for the airport at dawn Wednesday, in a battered station wagon carrying his mother-in-law, wife, two children, and six other relatives.

"I want to see the pope with my own eyes," said Mr. Adolphe, a burly man from northwestern part of Haiti, one of the country's poorest areas.

But superstition lies just below the surface. "I have heard that this will be the last pope, that there will be an end to humanity in his reign," Adolphe said. Asked if he believed it, he said: "A little bit."

## Lord Boyd, Ex-Official In U.K., Dies

London — Lord Boyd of Merton, 78, who as Alan Lennox-Boyd was Britain's colonial secretary from 1954 to 1959, was killed by a car Tuesday while he was crossing a street, police said Wednesday.

Mr. Lennox-Boyd, a Conservative member of parliament from 1931 to 1960, volunteered for naval service during the war, commanding a motor torpedo boat off the English coast.

In 1951, he became minister of state for colonies, or deputy to the colonial secretary. He was minister of transport from 1952 to 1954, then was named colonial secretary. During his term of office, Britain granted either self-government or independence to the West Indies, Ghana and Nigeria.

He was criticized by the Labor and Communist Parties for his handling of such colonial problems as the Mau Mau campaign against British rule in Kenya and the campaign against communist guerrillas in what was then Malaya. In their attacks, the leftist politicians frequently referred to his championing of the Spanish dictatorship of Franco before World War II.

# Turk Envoy Shot in Head In Belgrade

Compiled by Our Staff From Dispatches  
BELGRADE — The Turkish ambassador to Yugoslavia, Galip Balkar, was critically wounded Wednesday when two gunmen ambushed his car in central Belgrade, officials said. There were also unconfirmed reports that a bystander was killed in the attack.

Mr. Balkar's driver and several other passengers were wounded, and officials said one of the assailants was hurt in a gun battle with security forces. The other escaped, they said. The attack was claimed in Athens by an Armenian group.

Mr. Balkar, 47, was hospitalized for brain surgery after the attack, which took place shortly before noon near the building housing the Federal Assembly, Yugoslavia's parliament.

One bullet lodged in his head and another hit his spine after entering through his right shoulder, doctors at a Belgrade hospital said. They said Mr. Balkar had survived the brain surgery, but was in extremely critical condition.

Reuters quoted hospital sources as saying a student died in a Belgrade clinic from bullet wounds suffered in cross fire, and that a retired army officer was seriously injured. The driver, identified as Necip Kaja, was recovering from "not so serious wounds," officials at the hospital said. The gunman's condition was reported as serious.

In Athens, a group calling itself the Justice Commandos of the Armenian Genocide claimed responsibility for the shooting, in a letter to a news agency. That group also claimed the killing in September of Bora Suellkan, an attaché at the Turkish Consulate in Burgas, Bulgaria.

Since 1973, Armenian groups have claimed responsibility for the killings of 24 Turkish diplomats. The groups say 1.5 million Armenians were massacred by Turks in 1915, but successive Turkish governments have strenuously denied the allegation.

By Richard Halloran  
New York Times Service

WASHINGTON — The Reagan administration, in response to a request from Saudi Arabia, has begun a program intended to sell M-1 Abrams tanks and M-2 Bradley fighting vehicles to that nation, according to administration officials.

The officials said Tuesday that most details of the plan remained unsettled but that the initial phase would begin soon, when Saudi crews arrive at the Armor Center at Fort Knox, Kentucky, to start training. Training on the fighting vehicle, which is an advanced armored personnel carrier, would be conducted by FMC Corp., the maker.

Officials said the plan called for shipping several M-1 tanks to Saudi Arabia at Saudi expense during the summer for demonstrations in the desert. U.S. crews will operate the tanks with Saudi crews also taking part, they said.

If the Saudi government decides to go ahead with the purchase, negotiations over numbers, delivery and price would commence, the officials said. Each tank would cost about \$2 million.

The program seemed likely to arouse opposition from Israel and the American supporters of Israel who have vigorously objected to arms sales to Arab nations in the past. The sale of AWACS radar warning planes caused debate spreading over eight months in Congress, which has the authority to veto arms sales.

But the sale, administration officials contended, would give the United States another visible tie to Saudi Arabia. Secretary of Defense Caspar W. Weinberger has been the administration's leading advocate of better relations with Arab nations, especially Saudi Arabia.

The pending M-1 tank sale, officials said, figured in Mr. Weinberger's recent decision to reject an agreement with Israel to share intelligence and operational information gained by the Israelis during the war in Lebanon.

Among the elements the Israeli government requested in return for sharing that information, the officials said, was full technical information on the M-1 tank. The officials said the Israelis evidently wanted that data to design anti-tank weapons and tactics.

Military officers in the Pentagon expressed mixed views about the potential tank sale to Saudi Arabia. Some feared that producing and delivering a large number of tanks to the Saudis would cut into the production run of tanks intended for U.S. forces.

After a long and troubled history of development and testing, the Abrams tank, named for a former commander in Vietnam, General Creighton W. Abrams, is being deployed in the army. The 1984 military budget before Congress calls for producing 600 a month, for \$3.8 billion.

The Bradley fighting vehicle named for General of the Army Omar N. Bradley, the World War II commander, comes in two versions, an infantry personnel carrier and a cavalry reconnaissance vehicle. The 1984 budget calls for producing 600 vehicles at a cost of \$358.3 million.

But the military officers said that having the Saudis buy the tanks might help overcome their damaged image and would provide additional information about how they performed in the desert. If the Saudis buy enough, that would also reduce the cost of each unit, they said.

Saudi Arabia is the second country to show interest in buying the Abrams tanks. Switzerland was the first, and it has yet to decide between the M-1 and the West German-made Leopard tank.

U.S. military ties to Saudi Arabia have expanded steadily over the years, with about 5,300 American related to the military working there. Of those, 1,000 are in the military, including 500 infantry and support four air AWACS planes on continuous tour.

## Nonaligned Asked to Arbitrate Gulf War

Compiled by Our Staff From Dispatches  
NEW DELHI — Iraq proposed Wednesday that its 30-month war with Iran should go to arbitration by the heads of state of the non-aligned movement, now holding a summit meeting here.

But Iran declared it would agree to end the Gulf war only after Iraq has been branded as the aggressor and has agreed to make a cash payment of \$50 billion in reparation.

Vice President Taha Moheiddin Maarouf of Iraq said the non-aligned summit should set up an arbitration committee whose decision would be binding on Baghdad and Tehran.

"Iraq pledges itself in advance to

adhere by the results of arbitration," he said in an address.

Mr. Maarouf said the committee should be established by agreement between Iraq and Iran with the help of Prime Minister Indira Gandhi of India, chairman of the non-aligned group.

His task, he said, would be to determine which side started the war in September 1980 and which was responsible for continuing it, "as well as arbitrating all issues related to the conflict and formulating a comprehensive and final settlement."

Said Rajat Khorasani, Iran's delegate to the United Nations and a leading member of the Iran dele-

gation at the nonaligned meeting, said the damage caused by Iraqi troops in Iran up to three months ago exceeded \$200 billion.

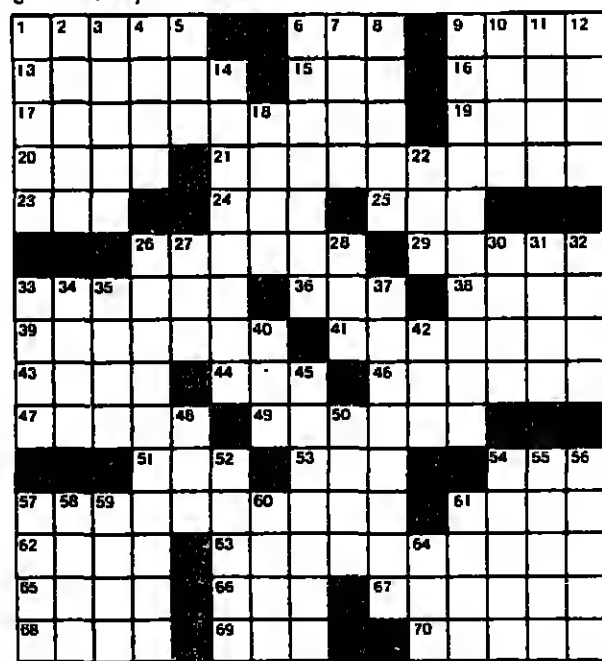
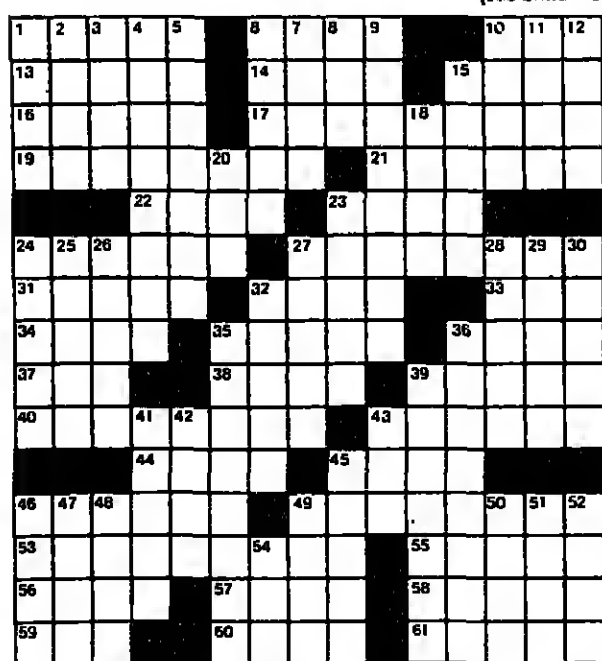
"This damage must be compensated for," he said. "We demand at least one-fourth of this sum as a cash deposit, so that we have an assurance the Iraqis are really serious about ending the war."

Mr. Maarouf told the summit that Iraq was ready to "accept a comprehensive and just settlement" but "will absolutely refuse to consider any conditions or demands which are of a blackmail nature and incompatible with Iraq's integrity, sovereignty and freedom of choice."

## Question:

Four letters meaning two-for-one

(See bottom of the page for answer)



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## Fendi's Furs for Sheer Opulence

By Hebe Dorsey  
International Herald Tribune

MILAN — The most frequent question at the Fendi fur show here Wednesday was "What is it?" Even familiar furs had a totally un-

### Milan Fashions

known aspect. The next remark was "Wow!"

"This season marks the divorce from reason," said the Fendi press release. They can say that again, for people left the show knocked out by its staggering opulence. It was back to czarist Russia, when sable was used as blankets for sleigh rides. If this sounds like too much in today's world, it does not seem to faze Fendi's many fans, including Gloria Vanderbilt, who collects them, and Diana Ross, who reportedly buys 12 of them each season.

Karl Lagerfeld, image-maker extraordinaire, who designs for other houses besides Fendi, is obviously at his happiest with these furs. This is where his princely nature and his intense love of luxury can go unbridled. The Fendi-Lagerfeld team has revolutionized the fur industry and each season marks a bold step further.

This time, the extravagant look included coats down to the ankles and further fluffed up by a steady use of Mongolian lamb. "I love Mongolian lamb," Lagerfeld said later, "because it lends itself to the most extraordinary colorations." In his case, the most amazing was a combination of maroon with deep red drappings — "as if you'd eaten a chocolate with a cherry in it," Lagerfeld said.

Besides being big and opulent, the Lagerfeld look was also asymmetrical and a mélange of the most improbable furs, such as sable with summer ermine. The asymmetry was carried out in the sleeve treatment, which ended up with a regular sleeve on one side, and a poodle flare on the other. This fur-on-fur treatment included big ruffled shawls, thrown over the shoulders of immense coats.

Lagerfeld also revived summer ermine — a fur associated with royals, notably Queen Mary of England. Besides the snowy, regal white he also showed a new shade of yellow, streaked with black. The Fendi furs' colors are so original that they are so rarely kept and pelts are sent out of the country to be dyed.

In addition to a chocolate brown that darkened to the deepest maroon, Lagerfeld showed unusual powdered colors, including the palest of pinks. Fendi also offered more practical models, such as a string of short, precious, evening jackets of broad black broadtail and mink, the mink worked into shiny and dull stripes.

"Fur is fun and not an investment," Lagerfeld likes to say and this was evident in his Mongolian lamb coat streaked black and white, as well as in such details as



Two of Lagerfeld's designs for Fendi, as shown in Milan.

collars that extended down to the waist and doubled as a muff.

With the same nonchalant hand, Fendi also offered the ultimate in luxury — coats with the fur inside and the leather outside.

The shows Wednesday were well patronized. Lagerfeld, who flew in by private plane, had lunch with Mrs. Amintore Fanfani, wife of Italy's prime minister, while earlier in the day, Mrs. Max Rabb, wife of the U.S. ambassador to Italy, flew in from Rome to see the Laura Biagiotti show. "Laura is such a dear friend," Mrs. Rabb said, "but I wished I could also do something to help American fashions."

Laura Biagiotti is the guardian angel of Italian fashion. With an angelic smile, she keeps delivering white winged dresses that look as if they are going to fly off any minute. She had them again this time, made of crisp black taffeta but the best moments of this collection were, as always, her cashmere.

For behind her sweet exterior Biagiotti is a powerhouse and queen of cashmere. She designs several collections, including a called portrait one, put out by powerful Lanerossi group, and empire includes a spectacular e-tle outside Rome, a new boutique in the Trump Tower in New York and a perfume to be launched spring.

The collection that Claude b-tana, from Paris, designed Complice is only an appetizer it will sell. His earliest sporty models were better than his turn-of-century champagne tunics — ropes of jet, but he injected life into the somber Milan sex with a bright poppy red. The most important point of the collection the face that this influential designer showed not only long, but x-long skirts. The trend is likely to continue in his Paris collection next week.

## Michigan Nun Is Given State Post Despite Her Defiance of Prelate

United Press International  
LANSING, Michigan — The Michigan Senate confirmed Sister Agnes Mary Mansour on Wednesday as the state's welfare director, despite an archbishop's orders to her to resign from the job because of her refusal to repudiate state-funded abortions.

The appointment of the Roman

Catholic nun, by Governor James J. Blanchard, was ultimately decided in the Vatican.

Her religious order, the Sisters of Mercy, said last week that she kept the job despite orders by Detroit's archbishop, Edmund C. Szoka, to resign for failing to condemn state funding of abortions for welfare recipients.

The 28-9 vote to confirm the nun's nomination came after a hour of emotional debate.

During the Senate committee hearing Tuesday, Sister Agnes Mary maintained her stand that she personally opposes abortion but tolerates funding of the procedure for poor women.

Sister Agnes Mary, the president of Mercy College in Detroit, said she was "very pleased" by the confirmation. She has been acting director of the department since December.

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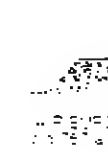
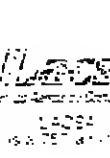
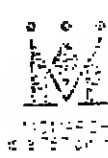
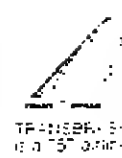


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# Herald Tribune

Published With The New York Times and The Washington Post

## Ethics in Government

It strikes us, as we read the recurring accounts of alleged slips, slides and lapses of high administration officials, that something has been left out of their job training. They don't seem to have a very clear fix on the generally accepted standards of propriety for people in high government office.

Ignorance of the law, as we were all told early in life, is of course no excuse. But it's still the most popular explanation among officials who have been found using government staff for private purposes, hedging on financial disclosure forms or maintaining questionable ties with private firms. Rita Lavelle, for example, says that, while she knows better now, she never realized there was any impropriety in taking expensive lunches from firms involved in regulatory matters before the EPA.

Arthur Hull Hayes Jr., commissioner of the Food and Drug Administration, expresses surprise about concern that there might have been any overlapping between fees and travel expenses from outside groups and reimbursement from his agency. Dr. Hayes says he appreciates "that some people in government are supposed to be cleaner than Caesar's wife and all the rest of it, but one also still has to live."

By way of differentiating his case from those of others, he adds that, "quite honestly, my time in government is a hiatus."

Hiatus shunatus — Dr. Hayes has got it all wrong. It is not some people in government who are supposed to be above suspicion. It's all of them. That is a condition the republic is not likely to attain in this millennium or per-

haps even the next. But it ought to be understood as the objective, and not just by the lifetime civil servant. It should be understood and embodied by the political appointees who are supposed to set the tone for government.

How do you get people, if not to think this way, at least to be clearly warned as to what the standards are and what is to be expected? Miss Lavelle points to an obvious remedy. When she came to government no one apparently bothered to tell her that EPA, like all the other agencies, has a detailed code of ethics and a designated official to assist in its interpretation. "It's typical of what happens in a lot of people when they come to Washington," she says. "You're not trained; you're not told how to conduct yourself."

For some it will be hard to believe that these basic modes of proper conduct are so exotic and obscure as to require special instruction. But let us grant that they may be, and then make sure that we eliminate the excuse.

No doubt some agencies already make a strong effort to see that appointed officials are aware of their obligations. But the practice is far from uniform. So it is up in the White House to see that all current incumbents are suitably educated and to set better procedures for the future. The time to make sure that appointees know what is expected of them is when they are being prepared for their confirmation hearings. If they think they cannot "live" with the rules, that is the time for them to go live somewhere else.

— THE WASHINGTON POST.

## Quango for Democracy

One of the Reagan administration's better ideas was to enlarge subsidies to foreign democrats and in the operation out of the secret cupboard. It has already taken steps in that direction. But the project needs a less pedestrian name than Democracy Program and a clearer charter of purpose.

For a name, we still prefer Quango for Democracy, borrowing the British term for Quasi-Autonomous Non-Governmental Organization. And it ought to be:

• Wholly divorced from the Reagan administration's "public diplomacy" campaign against the peace movement (composed mostly of democrats) in Western Europe.

• Entirely separated from the \$65-million fund for government agencies to arrange visits and training for leaders from (mostly less than democratic) Third World countries.

• Clearly distinguishable from the CIA fronts that used to do this kind of work, often well. The alternative in the modern world is a public foundation, managed by public figures who stand at different points of the democratic spectrum in the United States.

A year ago the administration seemed eager for just such a foundation and asked Allen

Weinstein, a Georgetown University historian, to design it. Officials like Bill Brock, President Reagan's trade representative, were to lead its board, sitting beside the likes of Lane Kirkland of the AFL-CIO, Senator Thomas Dodd, Richard Allen and the two major party chairmen. Mr. Weinstein is ready in seeking a congressional charter and funding, preferably on three-year cycles to insulate the foundation from political pressure. It is hoped that private gifts will exceed the public support.

Such public-private foundations have flourished in West Germany. Because their programs are well-advised, democrats in other countries can take their money without hidden conditions or embarrassment. Democrats in many places contend with left- or right-wing authoritarianism who are well supplied by foreign patrons. As Mr. Reagan said in London a year ago, the democracies should not hesitate to support their friends, provided they do so openly and without ulterior purpose.

America's Quango for Democracy should have nothing to do with propaganda for near-term U.S. policies. When Mr. Reagan finally makes that distinction, it can proceed.

— THE NEW YORK TIMES.

## Other Opinion

### Coexistence in Zimbabwe

Mr. Mugabe must be aware that he is not ruling Zimbabwe in a vacuum. There will be further pressure in Britain, as in the United States, for aid to be cut back if he cannot reach a political compromise with the Ndebele. Repression is no alternative. He has shown that he is capable of taking brave and politically difficult decisions on the economic front — the recent 20-percent devaluation, the reduction of food-price subsidies and the freezing of wages as part of an IMF-approved austerity package must prove the point. Now he must be equally forthright in tackling the political crisis: He must restrain the hotbeds in his party who are calling for the "liquidation" of ZAPU, and seek coexistence rather than confrontation. Otherwise the prophets of doom will be proved right.

— The Financial Times (London).

### On Arms and Development

Is the form of communication commonly known as the North-South dialogue possible between countries at different stages of development when the priority that should go to development is given to armaments races?

The outlook is gloomy. Our planet, transformed into an arena for the struggle for power, today has the nuclear capacity to destroy itself 30 times over. More than \$600 billion is invested in arms while more than a billion people are condemned to absolute poverty.

The requirements of national defense, although a convenient pretext, cannot justify this frenzied arms race.

Following the trail blazed by the most widely differing forms of imperialism, the poor countries have undertaken to spend the little they earn from exports on the purchase of sophisticated weapons — as if development were measured by the size of the military stockpile

and the performance of the most advanced weapons. The arms industries in the West see their order books filling up while basic materials are poorly quoted on the market.

The priority demanded by development imposes other decisions on us. Limitation of military spending would undoubtedly make it possible to release capital for massive investment for the Third World. An arms tax could also release funds to assist the poor countries. The countries of the Third World must find a solution to their development problem without overlooking defense issues.

In this way nonalignment, properly understood, can pave the way for solidarity among the poorer countries. It is possible in face up to the various forms of imperialism by means of a collective defense system of combined forces, and thus Third World countries might shake off the military mystique.

Assertion of the development priority over that of the arms race could help the world to live differently.

— A.N. Sylla in Le Soleil (Dakar).

### Soviet Psychiatry: Unwanted

The decision of Soviet doctors to withdraw from the World Psychiatric Association is a tacit admission that they know where they're no longer welcome. Since the Soviets' despise misuse of psychiatry hasn't got any better since it was first condemned by the association 12 years ago, expulsion this summer was likely. So all they did by resigning was beat their colleagues to the punch.

Sadly, the Soviet withdrawal won't make a whit of difference to the heroic dissidents imprisoned and subjected to harsh treatment in mental hospitals. Their lot won't be improved even slightly. If Russian citizens disagree with those who are enslaving them — and say so — they're considered insane.

— The Boston Herald.

## The Geneva Challenge Is Still There

By Robert E. Hunter

WASHINGTON — There is a danger that the West German elections will be misinterpreted in Washington as signaling that the troubles of the last year or so are past.

There will be a temptation to conclude that the United States should hold firm to its "zero-option" proposal in the Geneva talks with the Soviets on mid-range missiles — that is, insist that any agreement cannot stop short of banning all such missiles, in Ronald Reagan's words, "from the face of the Earth."

Holding firm would be a profound error, for a wide swath of Europeans view such a goal as unrealistic and thus as an obstacle to the gaining of whatever may indeed be achievable.

As Vice President George Bush found on his recent trip to Western Europe, the zero-option proposal gains little more than lip service from allies anxious to find some way to avoid accepting more nuclear weapons. Each West European leader put the point differently, but all were in accord: For America to convince Europeans it must now show real flexibility at the Geneva talks, lest Soviet propaganda again sweep the board, as it was doing before Mr. Bush's tour.

Spring is not far off, with its promise of active demonstrations in the Federal Republic against U.S. missile deployments, vocally supported by the 27 new members of the Bundestag from the Greens party. Chancellor Helmut Kohl may have the votes, but translating them into a mandate for deployment is still a ticklish business.

Equally important in most of Europe is a new

undercurrent of distrust of America's capacity to lead the alliance. Memories of the fiasco of the planned-then-discarded neutron bomb under President Jimmy Carter are surprisingly fresh; so, too, are memories of incautious comments from Washington early in the Reagan administration about limited nuclear war. No matter that officials of the Reagan administration have kept quiet about such disturbing subjects for many months now. Perceptions in Europe about U.S. policy and attitudes always lag far behind.

Nor is the distrust merely over nuclear issues. European students of American debate are well aware of the currents of opinion, albeit limited, that call for reassessing the U.S. conventional-force commitment to European security.

Lurking in the background are two factors that continually re-emerge: economic malaise that is blamed, fairly or not, on Washington's economic policies, and a growing divide across the Atlantic about the best means of managing East-West relations in general. Last year's dispute over the gas pipeline from Siberia was finally settled, but a bitter aftertaste remains.

In short, the United States can no longer look at relations with Europe in terms of putting out occasional brushfires, or dismiss disagreement with the old adage that "Europeans want the United States to make the decisions so that they can bellyache about them."

Secretary of State George Shultz is quite

adept at mastering virtually anything to which he turns his hand: the gas pipeline one week, an Arab-Israeli peace proposal the next, salvaging relations with China the third. But he is only one man in a big administration, and U.S. policy toward Europe will require constant tending to get through the coming difficult years.

There is as yet no effective means of integrating the various strands of U.S. policy as they affect the West European allies: to take economic decisions with an eye open to the hurricane that they can unleash on other economies, to advance a military policy that can be sustained in Congress for more than a year or two, and to develop policies toward the Soviet Union that merge confrontation where necessary with some cooperation where possible, as in arms control.

The West German elections can be a turning point. It should not, however, be a return to business as usual, in the belief that the United States is now home and dry on the nuclear issue. Rather, it should be a recognition that luck has again smiled on U.S. policy.

There must be new understanding that the future of trans-Atlantic relations is uncertain, and that the United States cannot let itself fall so far behind again in its awareness of longer-range difficulties in the alliance.

The writer is director of European studies at Georgetown University's Center for Strategic and International Studies. He contributed this comment to the Los Angeles Times.

## Reagan's Fatal Flaw: His Appointments

By James Reston

WASHINGTON — Ronald Reagan has never been very good

at hiring or firing people. For a man who relies so much on his staff, he is almost recklessly casual about how he selects many of them, and remarkably loyal to them when they stumble. This is his fatal flaw.

It is not an ideal way to run a government or anything else, but he is not likely in change, and this raises a question: What is the obligation of people like Secretary of Labor Raymond Donovan, Administrator Anne Burford at the Environmental Protection Agency, Secretary of the Interior James Watt and Kenneth Adelman, nominated to head the Arms Control and Disarmament Agency?

They are all an embarrassment to the administration, and a barrier to the work they were appointed to do. Should they stick to their pride or, even if it's not their fault, resign and relieve Mr. Reagan of his mistakes in the interest of the nation?

This is a hard and in some ways even unfair question. Mrs. Burford is not in trouble at the Environmental Protection Agency because she defied the president's "protectionist" philosophy but because her agency supported it. She may have been clumsy in the administration of her department, still, she was not the cause, but the victim.

Mr. Adelman is a more interesting and important case, because the control of nuclear weapons may be more critical than any other foreign policy

question facing Mr. Reagan in the last two years of his term.

Mr. Adelman did not seek this job. He is an intelligent, experienced Foreign Service officer, with a written record of skepticism about making verifiable arms control compromise with Moscow. At his first confirmation session with the Senate Foreign Relations Committee, his response to questions led the committee to vote against him and recommend to the full Senate that it do the same.

This means that there will now be a long debate on the Senate floor about nuclear arms control in general, and incidentally about Mr. Adelman, who will not be there to defend himself — just when the administration and the Senate need to concentrate not on Mr. Adelman but on nuclear arms control policy.

Time now is important. The West German elections are over; the Russians, in their usual clumsy way, tried to scare the West Germans into isolationism and pacifism and lost. The U.S. presidential election is coming up, when rational discussion of the arms race will not be easy.

So there may be only a few weeks or months now for Mr. Reagan and Yuri Andropov, the Soviet leader, to adjust to the facts and get down to serious negotiations at Geneva for the control of nuclear weapons.

The election victory of Chancellor Helmut Kohl in West Germany is not an invitation to Mr. Reagan to stick to his present "zero-zero" nuclear policy, but to get back to Geneva



A few suggestions for future appointments.



has, they should thank the president for his "loyalty," and in loyalty to the country go home.

Mr. Reagan has two more years to go. He needs the confidence of labor union leaders to encourage the reconstruction and productivity of American industry. He needs, and the country needs, the support of the educational community, the scientific community, the environmentalists. And particularly he needs confidence in the people he appoints to deal with the control of nuclear weapons.

This he does not have now within his own party. Even his best friends wonder why he tolerates Mr. Donovan, Mrs. Burford and Mr. Watt, and why he insists on a battle for Mr. Adelman, whom he scarcely knows.

He does so, obviously, because he's a nice guy who doesn't know how to hire or fire. But when, for whatever reason, they get in trouble, shouldn't they get out when they are a menace to the purposes they came to serve, and give the president a chance to make a new beginning?

The New York Times.



## Development Policy: Debt Is a Political Choice

By Gail Lushy

PARIS — It is time indebtment was analyzed for what it really is: a political choice as well as a normal stage of economic development.

The current crisis throws a new light on the problem. It shows that borrowing can infringe on the independence so cherished by Mexican rulers, at least as much as foreign investment. In addition, a borrowing strategy cannot be implemented for political reasons only but must take economic realities into account.

A first step in resolving the crisis is for Latin American countries, and Mexico in particular, to recognize at last the imperatives that accompany indebtedness. Most obvious, a loan has to be paid back. Then, and this is probably the most delicate issue, inflation must be curbed in order to avoid devaluations.

The Mexican government never acknowledged that these constraints

automatically limited its freedom to spend and to intervene in the economy. President José López Portillo's nationalization of the banks last September is the best illustration of the government's incoherent policies.

The move put under state control one of the few remaining bastions of private entrepreneurship.

For those partisans of government intervention who don't buy the economic arguments, the Mexican social reality might make them think twice.

The political justification for government intervention in Mexico, as in most developing countries, has been that only government can achieve income distribution. Unfortunately, inflation resulting from government expenditures has further impoverished the have-nots. Consumption of meat in Mexico City diminished by half in 1981-82, in

inverse proportion to price increases. Far from improving the situation, price controls discouraged producers.

Pharmaceutical companies and declining international trade account for only part of the debt crisis. Government mismanagement, erratic policies and corruption are other factors.

To save his country from bankruptcy and social turmoil President Miguel de la Madrid needs to reduce the weight of government. Revitalizing the Mexican economy requires fighting old habits of government interference, corruption and escapism.

Mr. de la Madrid's predecessors could not resist the allure of the presidency. They used every excuse to increase their power and the government's stranglehold on the country.

The writer is a free-lance journalist specializing in Latin American affairs. She contributed this comment to the International Herald Tribune.

## LETTERS TO THE EDITOR

### Armies, Bombs, Talk

Regarding "If Europe Wants a 'Moral' Defense It Must Be Prepared to Pay for It" (IHT, Feb. 17):

William Pfaff comes to the conclusion that, painful as it may be, the solution to European defense problems is to re-create a conventional defense able to deter conventional attacks. I am afraid he is confused about the essential purpose of conventional armaments.

That purpose is to win wars. Armies have proved to be a poor deterrent when it comes to preventing wars. This point speaks for itself.

If nowadays there is so much talk about deterrence, it is because of the bomb. A nuclear exchange would leave no winning side; those who make the decision to go to war would be obliterated with everyone else. Some deterrent!

PHILIPPE DE LIEDEKERKE, Brussels.

### The Quote in Context

Regarding the news report "French Left Demounces U.S. Coverage of Paris Meeting" (IHT, Feb. 19):

This Reuters story "quotes" the Paris daily Le Matin as follows: "Others produce cocoa and phos-

phates. We [in France] produce literature and art. Just as in gastronomy, we are the first, or at least we affect to believe so."

So that your readers will not find in this phrase a 1,002d reason to hate the French, I invite you to put the quote back into its context.

Le Matin wrote: "Mais il faut bien admettre que sur le chapitre de la culture, nous sommes très susceptibles. Faut-il encore que l'on critique l'absence de dynamisme de nos entreprises ou notre manque de progrès, mais nous sommes les premiers producteurs de culture du monde. Pour d'autres, c'est le cacao et le phosphate. Nous c'est la littérature, l'art. Comme en gastronomie, nous sommes les premiers ou, du moins, nous affectons de le croire."

By shortening the paragraph you deform Le Matin's thought. What was intended as self-mockery becomes pitiful boasting.

J.L. MALAUSSENA, Vaucluse, France.

## Once More A Game of Dominoes

By Philip Geyelin

WASHINGTON — Prodded in the blackboard, the Reagan administration regularly tells its critics, and while 100 times: El Salvador is NOT Vietnam.

Consider it done. They speak Spanish in El Salvador. It is 1,000 miles from Key West, caught up in a chain of contiguous nations which lead to the Rio Grande. Its cramped quarters could not accommodate 10,000 U.S. troops, let alone Vietnam's half million, even if a long-term gain could be realized by sending U.S. combat forces there to fight or garrison towns that the Salvadoran Army itself cannot hold against rebel hit-and-run guerrillas.

This time it may even be safe to believe the government of the United States when it maintains that an increase in the number of U.S. military advisers, and some expansion of their activities, will not escalate into an actual combat role.

Even so, there remains a chilling resemblance — not between the exact nature of the El Salvador and Vietnam conflicts, but between the mind sets, the strategic concepts and the language of the policy-makers in each case.

When President Reagan speaks on the level and character of U.S. military involvement in El Salvador, all the while putting slender limits on the threat to U.S. national security, and when in the same breath he insists that "there is no parallel whatsoever with Vietnam," he seems to be innocent of any sense of the Vietnam echo in what he is saying.

He seems to be unaware of the extent to which his administration's policy, as presented in recent days in a sudden outburst of public statements and White House leaks, is a little more of that, in response to a side's losses and the other side's gains, all carefully calibrated to make a protracted conflict politically tolerable at home while at the same time convincing the adversary.

It is not hard to figure out what brought some of this on. It is foreign aid appropriations time, and the Reagan administration appears to be seeking a giant increase in aid to El Salvador, although the fact that it is seeking only a 10 percent increase failed to get in the last-minute session of last year's lame duck session, plus roughly the same total in excess of \$80 million, for military aid in the coming fiscal year.

Still, it looks to congressional critics like a high price to pay for a war effort that has nothing to show for itself after two years.

So there is predictable resistance from Congress. Equally predictable there is an administration counter-offensive. The "domino theory" is back in vogue and the ambassador to the United Nations, Jeane Kirkpatrick, is back from a whirlwind on-the-spot inspection of the "dominoes" with some pretty hairy tales of human rights and social reforms.

The Reagan administration is not dealing with the dominoes. It is not dealing with the dominoes in the prospect of free elections in December, four months earlier than expected.

Mrs. Kirkpatrick, who also firmly rejects any Vietnam parallel, has come up with a nobler analogy: the Marshall Plan. She would have the United States take the initiative in a regional economic aid program for Central America.

The idea is hard to fault, assuming that the administration is prepared to make the kind of fight that would be necessary to extract from Congress anything as grand as a "Marshall Plan" for the Caribbean area.

As it happens, however, the dominant theme of the Reagan administration is hard-nosed and largely military in its emphasis. It is reminiscent, from the White House, and the president himself. There is no reason to believe that he sees the Central American problem under any different light than he saw in the course of an interview in September 1981. "It's time the people of the United States realized that under the domino theory, we are the last domino."

It was Lyndon Johnson in the late 1960s, by memory serves, who marked the Vietnam "dominoes" from Saigon to Hawaii and on to San Francisco, with local stops along the way in Thailand, Indonesia, the Philippines. The more things change.

The Washington Post.

### Nixon's Advantage

Regarding the book review of "There Are Alligators in Our Sewers" (IHT, March 2): Yes, to say Richard Nixon could approach Red China because of his anti-communist background is indeed questionable. Better to say Richard Nixon was the first president since World War II not to worry about Richard Nixon.

G. ROBERT HUNT, General.

### London's Ice Water

Regarding "Storm Waters Test River in Thames" (IHT, March 1): This report states that the melting of the polar icecap is raising the water level of the Thames by "the width of an index finger" each year. Such a rate of increase seems enormously high. How about a second opinion?

JACK ZAGAR, Stavanger, Norway.

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Directeur de la publication: Walter N. Taylor.  
Gen. Mgr. Ann: Alain Lecor. 24-34 Housley Rd. Hong Kong. Tel: 2-263618. Telex 61170.  
Gen. Mgr. Ann: 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 34331.  
U.S. subscription: \$250 yearly. Second-class postage paid at Long Island City, N.Y. 11101.  
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THURSDAY, MARCH 10, 1983

# TURKEY

A SPECIAL REPORT

## Growth of Exports Aids Revitalization Of Industrial Sector

By Sari Gilbert

ISTANBUL — After nearly three years of a stringent austerity program, Turkish businessmen still are struggling to cope with the constraints of an unfavorable domestic climate.

The stabilization plan begun early in 1980 to deal with the country's impending bankruptcy has been successful, bringing a significant improvement to the balance of payments deficit, slashing inflation from over 100 percent to about 35 percent and allowing a return to positive growth, 4.3 percent in 1981 and about 4.5 percent in 1982.

Largely because of re-utilization of idle capacity, greater energy availability, reduced labor strife and increased imports of raw materials, industrial production improved in 1981 by 7.5 percent. But for the industrial sector, most of the improvement has come from an unprecedented boom in exports. In 1981, exports grew by 62 percent, and exports, having expanded by another 27 percent in the first nine months of last year, were expected to reach over \$6 billion for 1982.

By using tax and credit incentives and easing bureaucratic constraints, encouragement of exports has been a major thrust of the stabilization program. Ending years of a policy of import substitution, the program seeks to force the country's traditionally highly protected manufacturing industry to look for new markets outside Turkey. The program also has been designed to reverse old state socialism policies and strengthen the private sector, which represents about 60 percent of Turkish industry.

The push toward export-led growth has been so successful that in 1981 exports of industrial goods rose in value by 119 percent and for the first time overtook agricultural products in the share of total exports.

But at the same time the home economy has continued to shrink. Domestic demand, kept depressed by the government's vigorous tight-money, anti-inflationary policies, has restricted recovery by companies not able to make the switch to exports.

While textiles, cement, margarine and parts of the chemical industry are working at more than 90-percent capacity, other sectors like construction, capital goods and consumer durables are sluggish. In addition, overall investment has been low, the inefficient operation of the State Economic Enterprises has continued to drain financial resources away from the private sector and scarce credit and sky-high interest rates remain a heavy burden.

Nurallah Gezgin, president of the Istanbul chamber of industry, said: "This adaptation to exports could really be called the Turkish miracle." He described as "unbelievable" and as "a mystery" the capacity of most Turkish companies to survive despite the unhappy combination of low profit margins and tight credit.

However, companies are deeply troubled by cash flow problems that have been aggravated by crippling foreign loan repayments. The shortage of operating capital and the need to repay loans, which were sharply increased by the drastic de facto devaluation of the Turkish lira during

(Continued on Following Page)



Sign in an Istanbul street proclaims: "Turk, be proud, toil hard and have confidence."

## New Constitution Is Written With Safeguards for Stability

By Sinan Fisk

ANKARA — Before the Nov. 7 referendum on Turkey's new constitution, a favorite pastime in this Turkish capital — which eats, drinks and breathes politics — was to bet on the percentage of votes for and against the document.

Most liberal and opposition circles predicted a 40-60 split — the ratio with which the 1961 constitution was accepted. Most independent observers believed about 70 percent of the votes would be white "yes" bulletins. General Kenan Evren, who became the elected president when the constitution was accepted, told newsmen during a campaign trip that he expected 20 percent of the bulletins to be blue "no" votes. Most of the newsmen thought he was being overly optimistic.

The final count was beyond the expectations of Turkey's military rulers. With more than 90 percent voter participation, and with nearly 91 percent of the

votes in favor, the new constitution was ratified and General Evren's status as head of state, gained through a bloodless pre-dawn coup on Sept. 12, 1980, was legitimized by popular vote.

In retrospect, it is difficult to understand why the generals chose the methods they did in submitting their constitution to a referendum.

They banned all campaigns against the proposed constitution, but General Evren personally went on a nationwide tour to praise the document.

His campaign was predictable, based mainly on reminding the population of the threat of communism and of "the dark days of the past," a reference to the undeclared civil war that claimed nearly 30 lives a day in the days preceding the 1980 coup.

Critics of the regime complained bitterly; newspapers ran photographs of a group of 50 youths, belonging both to the right and to the left, who had been arrested while allegedly waging a campaign by mail

(Continued on Following Page)

## Returning to Democracy: Process Under Way, but Clouded by Uncertainties

By Axel Krause

ANKARA — Around 20 million Turks overwhelmingly approved a new constitution in a referendum vote last November that provides for the re-establishment of a parliamentary democracy. They also elected General Kenan Evren, the country's leader, to a seven-year term as president. He has promised general elections for October 16.

Largely as a result, the outlook is for continuing stability in Turkey. But it will be increasingly shaped, and challenged, by emerging political parties and leaders, including critics of the present military leadership, as well as by new Turkish business and union leaders and the economy respond to the nation's future political system.

Many leading Turkish personalities and observers foresee heightened political tensions emerging over the next few months. Muntaz Soysal, a leading authority on constitutional law and a former vice president of the human rights group Amnesty International, said recently that restrictions on political dissent in the constitution, particularly those affecting parties and trade unions, could create what he termed "a crisis of participation" as those groups seek a greater role in the nation's political life.

The editor of one of Turkey's leading newspapers, who declined to be identified, commented that Turkey was heading into "a guided democracy." He said it will take several months to assess how a new multiparty system and electoral laws now being drafted will be implemented.

But he quickly added: "The generals are still very much in control and the constitution is very restrictive, so whether we have political détente or turmoil will depend on how they manage things from now on. But one thing is certain — political life will start to become active here."

Along with other knowledgeable observers, the editor, high-ranking Turkish government officials and business leaders agreed in recent interviews that the chances were very slight that Turkey would lapse into the terrorism that gripped the nation until General Evren took power in a bloodless coup on Sept. 12, 1980.

Addressing the nation on Nov. 12, 1982, the president said his election meant Turkey had irrevocably "condemned anarchy, terror and separatism." But he also warned that preparations for the general elections could be postponed in the event of "an important development," which he did not identify but which appeared to mean the resurgence of terrorist activities.

Martial law remains in effect throughout Turkey, although the nationwide curfew has been lifted. Strikes still are banned, and newspapers, the state-controlled radio and television have continued operating under strict military controls. Also banned are former premiers Süleyman Demirel and Bülent Ecevit, who opposed the constitution that bans them, and roughly 100 other former political leaders from participating actively in Turkey's political life for 10 years.

State Minister İhan Özkarak, a government spokesman, said during an interview in Ankara: "I agree there is no political life in Turkey today, but there will be once we have completed preparations for establishing new political parties. We have been close to civil war here not so long ago, so certain restrictions must remain in force."

Mr. Özkarak and other ministers said that at least two parties, conservative and leftist, would be allowed to function once the new 400-seat parliament is established. They said the number might be expanded to



General Evren

four or five. "But no extremist parties will be allowed," one minister said.

Commenting on Mr. Soysal's warning of emerging tensions under the constitution, Orhan Aldikacti, professor of law and chairman of the constitutional committee of the Consultative Assembly, which is drafting the new laws, said, "Yes, there will be tensions and we have placed restrictions on the press, left and right-wing extremists, and Demirel and Ecevit."

Echoing a comment frequently heard in government circles about the two former leaders, Mr. Aldikacti said they "helped create the crisis of 1980 by their irresponsibility when they were in power." Mr. Aldikacti told an American visitor that "this is not the United States, yet we will have a different system, and it will be democratic — though it seems unbelievable now."

Mr. Demirel and Mr. Ecevit have avoided meeting with visiting foreign journalists on the grounds that they did not want to appear to be openly criticizing the military government under prevailing martial law.

(Continued on Following Page)

### BASIC DATA

Population: 47 million.  
Total civilian employment: 14.6 million.  
Inflation (September, 1982): 29.7 percent.  
Gross national product (1981): \$50.7 billion.  
Foreign currency reserves (August, 1982): \$1.26 billion.  
Imports (January/October, 1982): \$6.9 billion.  
Exports (January/October, 1982): \$4.4 billion.  
Exchange rate (Feb. 22, 1983): \$1 = 192.15 lira.

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## TURKEY

# New Constitution Is Written With Safeguards for Stability

(Continued from Preceding Page)

against the constitution. Jurists throughout Turkey — including many who worked on the draft — said the document was far from being perfect.

"There may be one or two articles that don't fit in with the general rules of democracy," said Prof. Orhan Aldikacti, chairman of the Consultative Assembly's Constitutional Committee, which drafted the document.

"All individual freedoms exist as they do in Western constitutions," he said. "In fact, it is almost identical with the previous Turkish constitution — the only difference is that certain points that were unclear in the 1961 document are now clear."

Mr. Aldikacti's critics rejected this explanation. "The freedoms are there alright," said one, "but there is a 'yes, but...' clause attached to every one of them."

"Freedom of thought," Prof. Aldikacti said, "and freedom of expression have been separated."

This is interpreted as meaning that if the thought falls under the definition of "constituting a threat to

the state," expressing the thought becomes a criminal offense.

"There are a few extreme limitations on the press," Prof. Aldikacti said in an interview shortly before the referendum. "But these are to protect democracy and to prevent the publication of military and state secrets."

He cited the series published a few years ago by the now-banned leftist daily Aydinlik, which included reports purportedly from the Turkish Secret Service that mentioned torture of political prisoners, human rights violations and the activities of state-organized "agents-provocateurs."

According to the constitution, officials now will be able to prevent the distribution of newspapers if they decide that the papers contain material which falls under the omnipresent category of a "threat to the state."

But preventing the distribution of newspapers, Prof. Aldikacti said, would "not be a form of censorship, because the journalist will be free to write what he wants."

However, journalists risk prosecution along with editors if the article does not please the authorities.

"I admit," Prof. Aldikacti said,

"that the articles concerning the press are open to discussion."

He also said the constitution's articles could be amended if the parliament elected next fall decides to do so.

Prof. Aldikacti rejected claims that the document he helped prepare was pleasing to the right-wing. "It was criticized more by the right-wing than by the left," he said.

And he said that, contrary to what his critics said, the constitution "limits relations with the armed forces," because it restricts the proclamation of martial law to periods of "mobilization or civil war."

Although it came under heavy fire from former politicians, legal experts and, in a rare show of harmony, almost the entire press corps, the constitution was approved by the electorate.

Charges that the one-sided publicity influenced voters, that the envelopes used in the referendum were transparent and that the blue "no" bulletins could be seen were either false or unconvincing.

The large turnout — the highest in the country's history — was no



The ferry embarkation docks at Istanbul. The area is usually jammed with crowds.

surprise, because, for the first time, voter participation was obligatory, and non-participants ran the risk of losing their electoral rights for five years and of being prosecuted.

The massive vote in favor of the document is not as easy to explain. Some Turks say the voters had no choice. "General Evren put the matter very clearly," one Turkish observer said. "He said, 'either you vote for the constitution, or you vote against it — which means that you are happy with the present

state of affairs and want the present regime to continue.' The voters would have years of General Evren before them anyway, so they decided to at least have him on the road back to democracy."

A Western diplomat in Ankara put it less bluntly: "The Turkish electorate is much more mature and politically aware today than it was, say, 20 years ago," he said. "It knows that this is the only constitution it is ever going to get at this time, and it figured that it would

be wiser to roll with the punches now, and hope for change later."

Another diplomat believed General Evren's personality had much to do with the result. "General Evren," he said, "was criticized when he put his election to the presidency on the same ballot as the constitution. Everybody thought he was using the constitution to push his way to power. It was just the opposite. He put his personality on the line, and used his immense popularity to push the constitution through."

It is impossible to know how many Turks may have supported the constitution as drafted, in order not to risk a return to the chaos that existed before the coup.

"Every country has its particularities," Prof. Aldikacti said. "The West is talking about Turkey without knowing anything about it."

Prof. Halil Ibrahim Karal, a member of the Constitutional Committee, was much harsher. In reply to criticism about the military regime in Ankara by Turkey's European allies in NATO, he said: "They didn't seem to mind Salazar's Portugal, or the colonels' junta in Greece. There are deep cultural, historic reasons for the West's dislike of Turkey."

Another member of the Consultative Assembly, Namik Kemal Yolge, a former Turkish ambassador to Moscow, agreed: "The Crusader mentality is not yet dead

in the West. We have accepted them, but they have not accepted us."

Mr. Yolge added: "The difference here from the West is that this constitution aims to set up a democracy that will ensure the survival of the state — of a state under Soviet threat."

And to placate critics, another member of the assembly, who asked not to be named, said the row over the new constitution was exaggerated.

"This should be seen only as a temporary document," he said. "Say, good for about 10 years — by the end of which Turkey should be back to wholly civilian rule."

## Banking System Troubled by Business Sector Debts

Special to the IHT

ISTANBUL — The biggest headache of the Turkish banking system is a growing avalanche of bad debts arising from the business community's growing inability to settle its bank obligations.

Figures on past due obligations — loans that creditors are unable to settle on maturity — are a closely guarded secret. However, the ratio is said to range between 20 and 50 percent for most banks.

The problem has its roots in a combination of depressed domestic demand for goods and services and banks' high cost of funds in 1980 — the last good year in which the sector's overall declared profits grew by some 130 percent — when the government freed interest rates on borrowing. Banks raced to capture deposits by offering higher and higher interest. In a very short period interest on time deposits more than doubled to 50 percent.

The lending rate shot up to an average 80 percent outside categories (like exports) that received government subsidy.

"Trade and industry in Turkey

was geared to high demand and cheap loans and based its strategy on the presumption that both would never end," said Gungor Uras, leading economist of the Sabanci Group. "In industry, for instance, in 1981 capital accounted for an average 17 percent of funds and loans 83 percent. Inflation wiped out this meager capital while increasing demand for loans — which were no longer cheap. Industry's demand for loans grew while, because of recession, demand for its products fell. Overnight it was an entirely different ballgame."

The sector's problems were aggravated by the collapse of Kastelli, the country's biggest money broker, in June 1981. This led to a run on some banks that the central bank promptly stemmed by pumping huge sums of money into the sector. The government also promised reforms to rationalize banks.

Measures were announced in December last year to reduce the cost of funds. Interest rates were brought down and once more became fixed and mandatory for all

banks. Rates were brought down between 10 and 5 percent according to maturity. The liquidity ratio was reduced to 10 percent from 15 percent and reserve assets on deposit with the central bank to 25 percent from 30 to 35 percent.

According to one calculation, this reduced banks' cost of funds to 40 percent from 50 percent and the resultant earnings of the banking sector was 45 billion lira.

Observers are divided on the adequacy of these measures to save the banking sector from crisis.

Mr. Uras believes that the reduction in the cost of funds will help the banks enormously, allowing them to start making profits again. Others, however, believe that the problems of the banks are a reflection of the problems of business and industry, which they maintain, have not been lightened by the December measures: the cost of borrowing remains as high as ever.

"A bank is as strong as its customer or the sector it is financing," said a foreign banker. "You cannot change the reflection in the mirror without changing the image it is re-

flecting. The government's measures are a vain attempt to change the reflection without touching the object."

Whatever their adequacy, most observers agree that the December measures are a step in the right direction. They need, they say, however, to be supplemented by measures that the banks themselves must take in order to streamline and modernize their operations, which are generally overstaffed and burdened with too many branches, and modernize their lending techniques, which are obsolete.

Some banks have started moving in this direction. Akbank and Otoman Bank are among the larger banks that followed a prudent lending policy, which enabled them to sail on an even keel in the post-1980 environment when bad debts started hurting the sector.

Among the smaller banks, Interbank (Uluslararası Endüstri ve Ticaret Bankası) was one that closed 1982 with increased profits. Interbank concentrated two years ago on financing the export sector, the fastest growing in the economy,

whose loans are self-liquidating. Interbank's deposits, according to Erol Aksoy, the manager, doubled to 45 billion lira and profits trebled to 1.5 billion lira (before tax).

Foreign banks, like American Express and Citibank, also made gains. These banks concentrated on bonding of Turkish contractors or export-financing, the two most profitable businesses in Turkey last year.

These examples demonstrate that banking in Turkey can be profitable in the most difficult circumstances and are indicative of a trend. Most observers believe that the banking sector is in the process of a metamorphosis and that in the course of this decade circumstances will force it to adopt modern management techniques.

## Industry: Key Role Of Exports

(Continued from Preceding Page)

the past three years, have forced many companies to capitalize loans, sell assets or take in new partners.

Many companies also have scaled down operations. At present, Mr. Gegin said, manufacturers of wool and synthetic fabrics and some consumer durables are running on a cash-from-sales basis with a severe reduction of stocks. Two major private companies, Guney Sanayi, a textile firm in Adana and Asilcik, a producer of specialized steels, have been so crippled by the cash crisis that government-sponsored rescue operations have been required. Mehmet Yazar, head of the Ankara chamber of industry, said that those are two isolated cases, "others will soon be lining up" if the situation is not eased.

Turgut Ozal, former deputy prime minister and the architect of Turkey's economic austerity program, has never been particularly sympathetic to businessmen's complaints. In November, in an interview in Ankara, he repeated his favorite advice to Turkey's capital-starved businessmen, saying they should "sell their villas." Mr. Ozal believes the record shows that the explosion of Turkish imports is just at the beginning and said that "all business involves risks and Turkish businessmen must accept that."

However, Turkey's current administrators appear somewhat more flexible. In late November, following a meeting chaired by Prime Minister Bulent Ulusu, the government agreed to two of the businessmen's major demands: a reassessment of assets in view of inflation and devaluation to bring values up to current prices and to live up to the capital market and a nominal penalty, a tax of one percent, for revised 1981 disclosure of wealth declarations to allow businessmen to bring back into the system previously undeclared assets.

And if interest rates remain discouragingly high, in mid-December the government took some steps to bring down borrowing costs, reducing interest on both 6-month and 12-month maturity deposits by 5 percent and setting a 20-percent limit on sight deposits.

The high cost of money, in part a result of an inefficient, antiquated banking system, is a major concern of Turkey's businessmen. A broad banking reform is under discussion.

However, most Turkish businessmen appear inclined to patience. Ali Kockman, head of TUSIAD, the Turkish industrialists' and businessmen's association, said: "Economic stability is in the interest of the entire country, not merely of the businessmen." He said that for the foreseeable future businessmen will continue, but he added, if Turkey wants full economic recovery "there is no alternative" to the stabilization program.

## Returning to Democracy: Process Is Under Way

(Continued from Preceding Page)

Mr. Ecevit has been jailed several times for voicing his criticisms of the government during interviews with Western newsmen, and he does not want to return to prison, according to his friends.

Both men are known to be profoundly shaken by the government's decision to exclude them and others from political life. They also plan to help shape the establishment of their former parties. "Neither one is going into permanent retirement," said a well-placed source who knows them both.

The U.S. administration of President Ronald Reagan and several West European governments, notably West Germany, have expressed guarded optimism about the new constitution, emphasizing that they were hopeful that the return to a parliamentary system would not be interrupted.

A senior NATO ambassador in Ankara described the constitution as "minimally liberal," and said he has warned the military leaders that any major delays could trigger renewed opposition to the regime in Washington and within the European Community, even though aid packages in both the U.S. capital and in Brussels are now being processed after considerable delays.

A senior U.S. diplomatic official said: "We have regularly stressed to the generals our interest in their returning to democracy, and that if they do not, it could affect public opinion and Congress regarding continuing aid programs."

The Reagan administration recently proposed substantially increasing its military and civilian aid to Turkey from the present total of \$752 million to \$934 million in 1984. And the German Bundestag recently approved resuming its bilateral aid, totaling 413 million Deutsche marks.

Turkey will require substantial financial aid in the military and civilian sectors for the next several years, according to Western analysts. Annual disbursements now total roughly \$1.5 billion from government-backed medium- and long-term credits, including those being provided by or through the World Bank, the International Monetary Fund, the Organization for Economic Cooperation and Development and Saudi Arabia.

The Turkish economy is performing relatively well, despite an annual inflation rate of around 30 percent and rising unemployment, which last year averaged around 18 percent of Turkey's labor force of roughly 18 million persons. Gross national product rose by 4 percent last year and exports expanded by 25 percent.

The deficit of the current account in the balance of payments fell to around \$1 billion this year from \$2 billion in 1981, according to recent estimates compiled by the Paris-based OECD. "They are on the right track," a senior OECD official said, adding that he was encouraged by the estimate that the deficit will fall to around \$500 million this year.

The official and other Western experts noted that largely as a result, Turkey has been getting favorable reactions from governmental export credit agencies in Europe and the United States, as well as private banks, for new financing.

But questions are looming among the international agencies regarding how effectively Turkey will meet its debt capital repayments, which climbed from \$585 million in 1981 to \$750 million in 1982 and will reach \$920 million this year, according to Turkish OECD and IMF estimates.

When a previously negotiated delay in payments expires in 1985, however, Turkey's repayments will jump sharply to roughly \$1.6 billion annually, according to OECD estimates. "1985 will be a crunch year and whether they make it or not, will depend on how their exports perform and how effectively they manage the economy," said a senior Western analyst.

Meanwhile, praise and critical questioning over the nation's economic leadership is continuing in business and banking circles in Ankara and Istanbul since the resignation last July of Deputy Prime Minister Turgut Ozal, who also was the architect of Turkey's economic austerity program.

Most of Mr. Ozal's key responsibilities were split between Adnan Baser Kafaloglu, the finance minister; Prime Minister Bulent Ulusu and Yildirim Akturk, head of the state planning organization and one of Mr. Ozal's former key aides.

The chairman of one of Turkey's largest companies said: "There has been no leadership here since Ozal left...there are dislocations. Business leaders feel we need a lot more than a policy aimed simply at reducing inflation and we have told the government we need more expansion of the economy in which business can play an effective role."

A senior executive of an international agency monitoring the Turkish economy, who recently returned from a visit to Turkey, said: "We do not know who is really in charge, and those we see appear to be responding, but they are not innovating as they should — at least for the time being."

Turkey's economic planners brush off such criticism, emphasizing that Turkey still is in a transitional

phase and that they are indeed pursuing new policy directions aimed at expanding the economy. Sermet Pasin, minister of external economic relations and a former assistant director general of the General Agreement on Tariffs and Trade in Geneva, said the government was assessing its role in establishing trading companies, modeled along Japanese lines, that could help Turkish companies compete more effectively in world markets.

As the government's chief spokesman for international economic policy, Mr. Pasin accompanied General Evren on an Asian tour last December, which included stopovers in China, Korea, Indonesia and Bangladesh. Mr. Pasin said, "One of our goals in the trade area is diversifying into new areas, such as Asia, and the visit would present an opportunity." Turkey's largest single export market is the Middle East and North Africa, 45 percent, followed by the European Community area, 29 percent, East bloc nations, 7 percent, while the remaining 5 percent is spread among other areas.

The government also is continuing its drive to attract new foreign investments, although the amounts last year fell to around \$250 million from \$336 million in 1981. Husnu Dogan, head of the government's foreign investment department, said: "Through offering financial advantages and promoting Turkey through several leading U.S. investment bankers, we are planning to attract newcomers." Priority sectors, he said, included mining, tourism, oil, agribusiness and manufacturing in general.

General Evren's victory should help, Mr. Dogan said. "Everyone will know that he will be in power for the next seven years and will be supporting the economic program, which includes foreign investments." A total of 158 companies and banks are registered to conduct business in Turkey and the total should climb to 180 by the end of the year, he added.

"There certainly is new investment interest in Turkey," a senior official of an international agency said, "but there still are delays in processing requests and then, having the investments materialize."

A key and unresolved question is the future role of the Confederation of Turkish Trade Unions, representing 1.8 million workers in more than 30 industries. The confederation was highly critical of the constitution's limitations on trade union activities.

Under the impetus of its president, Sevet Yilmaz, the confederation won some concessions, including the elimination of a provision permitting employer lockouts and of a provision limiting strikes to two months. Mr. Yilmaz said during an interview in Ankara, "There still are restrictions on our future activities, but we hope these can be liberalized once a parliament is formed."

A related, highly sensitive issue for Turkish union leaders is the confederation's suspension from the International Confederation of Free Trade Unions, a Brussels-based grouping of the Western world's main non-communist unions, which the Turks joined in 1961. The suspension earlier this year stemmed from the ICFTU's objections to the fact that the Turkish confederation's general secretary, Sadik Side, also is minister of social affairs.

Under pressure from Mr. Yilmaz and other officials who objected to what they termed an "unacceptable double function," Mr. Side recently took a leave of absence from his union post, while remaining in the cabinet.

Reinstatement of the Turkish union will be considered during a meeting of the ICFTU's executive board in May, but European union leaders said that other issues now will be considered as well, including the military regime's attitudes toward unions generally.

Perhaps the most crucial question facing Turkey is how will General Evren manage to cope with the new emerging tensions and problems? In his Nov. 12 address announcing parliamentary elections, he said: "Around this time next year, we will be happy to see the Turkish Grand National Assembly using its legislative power within the democratic framework."

Answering questions submitted in writing by the International Herald Tribune just before the election, he said: "All legislation required by the new constitution will be enacted as soon as possible... our concern during this period will be concentrated on every effort in order to make necessary legal arrangements and take necessary measures in order to set Turkish political life on sound foundations and for the establishment of the democratic parliamentary regime."

Observers in Ankara and in Western capitals, however, continue to question how things will work out in practice, citing recent crackdowns on university professors and newspaper editors. "These are some of the ominous signs, considering that some of these crackdowns were hardly radicals... Turkey's re-entry to democracy will not be easy," said a leading European trade union official.

Several senior NATO ambassadors in Ankara, whose governments support Turkey, agreed that General Evren and his key military colleagues generally were honest, sober, mistrustful of outsiders and dedicated to restoring civilian parliamentary rule.

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## TURKEY

## Istanbul Provides Visitor a Variety Of Urban Charms

ISTANBUL — When asked what he liked best about Ankara, the late poet, Yahya Kemal Beyatli liked to reply: "The trip back to Istanbul."

Yahya Kemal died in 1958, when Ankara was not yet one of the world's most polluted cities and a somewhat boring capital. It still had some of the naive, bustling charm of a small trading town suddenly transformed into the center of a youthful and energetic republic.

Even then, it could not compare with the former capital, Istanbul, a city so full of historic and natural riches that centuries of war and destruction and downright bad urban planning have not ruined its charm and beauty.

On "the trip back to Istanbul" today, the plane — if on time — is faster than it was when Mr. Beyatli took the trip, and the train is almost as slow and not as pleasant as the plush wagons of the Simplon-Orient Express.

For the unburied traveler who wants to see the countryside, traveling by car or bus is the best way.

From the rolling brown hills dotted with soiled green shrubs in the steppe around Ankara, over the pine-covered mountains of Kizilirmak and Bolu, through the plains of Duzce and Adapazari and by the shores of Lake Sapanca and the Marmara Sea, a leisurely drive to Istanbul takes less than eight hours. This includes a stop for a longish lunch, preferably at one of the many attractive restaurants in the Bolu mountains area, half-way between the two cities.

Istanbul, now a sprawling megalopolis, is the only city in the world built on two continents, straddling the Bosphorus — the waterway between Asia and Europe that runs from the Black Sea to the Marmara and the Mediterranean.

The old city, like Rome, was erected on seven hills at the southernmost tip of Europe, surrounded by its ramparts and the Marmara Sea, the Bosphorus and the Golden Horn.

Legend has it that the city was founded in the 7th century B.C. by one Byzas of Megara, who was told by the oracle at Delphi to set up his colony "opposite the land of the blind." John Freely and the late Hilary Sumner-Boyd wrote in "Strolling Through Istanbul," the best modern guide to the city, that

this was a reference to Chalcedon, now Kadikoy, on the Anatolian or Asian — side of Istanbul.

"The implication," Freely and Sumner-Boyd said, "is that the Chalcedonians must have been blind to not to have appreciated the much greater advantage of the site chosen by Byzas."

When the city fell to the Roman Emperor Constantine, who gave it the name of Constantinople, it was already 1,000 years old. Shortly afterward, it became the capital of the Eastern Roman Empire, which eventually took the city's name to become the Byzantine Empire when Rome fell in the 5th century A.D. Another millennium passed before the empire — by then a city-state — was conquered by the Ottoman Sultan Mehmet II and took its present name of Istanbul.

The vestiges of Roman, Byzantine and Ottoman architecture are side-by-side in this cosmopolitan city where not only Turks from all over the country but also Armenians, Greeks, Jews, Poles and a multitude of other peoples coexist.

The Sophia Mosque, the masterpiece of Byzantine architecture, is just across a large square from the mosque of Sultan Ahmet II — the Blue Mosque — itself built on the site of the ancient hippodrome.

On the other side of the Sophia is the Topkapi Palace, the great palace of the Ottoman Sultans, built in over two centuries at the very last tip of the European continent.

The immense structure is one of the most fascinating museums in the world, a monument to the wealth of the sultans, and to Istanbul what the Louvre is to Paris, the Hermitage to Leningrad and the Prado to Madrid.

Across the Golden Horn — once the playground of the sultans, now little more than a polluted marsh destroyed by the surrounding industries — are the so-called "European" business districts of Galata and Beyoglu, the former Pera.

Stretching from the Galata Bridge to Taksim Square, it is a busy, bustling area where mosques, churches, baths, consulates, former embassies, boutiques, fishmarkets, fashionable restaurants and popular bars line up.

One of Istanbul's favorite spots,



A busy street in Istanbul.

Cicek Pasaji — the flower market — is there, just off the main shopping street of Istiklal Caddesi. A large inner courtyard running between Istiklal and the fishmarket, it is completely lined with bars and restaurants of various sizes, into which local shopkeepers, civil servants and artists, as well as large numbers of tourists flock every night for glass after glass of the national drink raki, beer or wine and platefuls of delicious little meats ranging from fresh fish and crab and shrimp to more exotic sounding fare such as Albanian liver or Kokorec — fried lamb tripe.

Wandering musicians and dancers add to the festive atmosphere nightly, while an elderly lady wanders around tables, offering to take health-conscious customers' blood pressure.

A major wine-producing center in antique times, Istanbul has many eating and drinking spots to which the city's inhabitants spend a major part of their time.

One palace that recently opened to the public and is becoming a tourist must is the Yildiz Palace, a sprawling, neo-gothic, 19th-century complex.

One of the buildings there, the Malta Kosku, perched atop a hill behind the park, has been transformed into a restaurant.

Another pleasant way of seeing Istanbul — when one is tired of museum-hopping and haggling in the immense covered bazaar — is to take a Bosphorus ferry.

Embarking in mid-morning from the Galata Bridge that spans the Golden Horn on one of the old passenger ferries that crisscross the Bosphorus, one slowly goes north toward the Black Sea. The 10-year-old Bosphorus Bridge joining Asia and Europe offers a particularly picturesque view when seen from below.

Another attractive pastime, which few package-tour travelers have time to indulge in, is a ferry trip to the Princes' Islands. The nine islands on the Marmara Sea, 10 to 20 miles out of the city and only four of which are inhabited, are among Istanbul's most beautiful spots.

— SINAN FISEK

## Armenian Question: The Roots of Terror

Decade's Casualty Toll: Nearly 2 Dozen Diplomats Killed in 16 Countries

"I SAW HIS reflection on the elevator door, pointing the gun at me with both hands. I ducked as he fired. The bullet took me near the bottom of the spine, traveled up and out through my shoulder and back in again behind my right ear. I was still conscious. I saw him walk toward me and point the gun at my head for a coup de grace. I felt the powder burn my face and I knew that — miraculously — he had missed." — Turkish diplomat in Paris.

"WHEN I HEARD the shots, I took the gun out of my desk drawer and walked away from the noise to come up on them from behind. But the door was locked and I was trapped. One of them walked in holding a submachine gun. I shot him in the shoulder. He staggered back, pulling the trigger and spraying the room. He hit me in the chest. I lay bleeding on the floor of my office for eight hours before they let a doctor in." — Turkish diplomat in Paris.

"IN THE rear-view mirror, I saw him draw his gun and come for me and I ducked and pulled out my own gun. He shot me in the arm as I threw myself out of the car. He fired again and started running. I chased him for a while and shot a couple of times, but I missed." — Turkish diplomat in Rome.

Spread to the IHT

WHAT SOME Turkish diplomats will tell you these days sound more like excerpts from crime novels than from diplomatic cables.

Armed policemen conduct body searches of people entering Turkish representative offices. Inside, the settings are more like a detective squadroom in a grade-B movie than an embassy or consulate. The impression is especially striking

during the summer months, when men in shirtsleeves walk around with guns protruding from shoulder holsters and chat with security guards — hefty, mustachioed Turkish policemen wielding machine pistols and neither acting, nor looking, nor sounding like diplomats.

The reason is that in less than a decade, Armenian extremists have killed nearly two dozen Turkish diplomats in attacks in about 30 cities in 16 different countries.

Armenian groups say that 1.5 million Armenians were killed by the Turks in 1915 — a figure that is widely disputed — and that the violence aimed at Turkish officials is retribution. Over the years, their demands have escalated, and among the Armenians themselves, different groups' demands vary, ranging from a simple recognition by the Turks of what the Armenians see as a genocide, to a return to what they claim as their homelands.

Turkish officials who have managed to eradicate violence at home still are confronted by the Armenian problem. And Turkish officials charge that the governments of some countries ignore the activities of Armenian extremists.

Two main groups have emerged to claim responsibility for the attacks: The Justice Commandos of the Armenian Genocide and the more active Armenian Secret Army for the Liberation of Armenia, better known under its acronym ASALA.

Turkish officials will not say so for the record, but most of them agree in private that ASALA enjoys Soviet support and that private Armenian backers in the United States are behind the Justice Commandos.

The current spate of attacks began in 1973, with what was widely interpreted then as an isolated act by a deranged person — which it probably was. An Armenian in his 70s invited the Turkish consul and vice-consul in Los Angeles to a local restaurant, telling them he wanted to return an Ottoman relic that had been in his family for years. The three men chatted amiably for a while, then the old man pulled out a gun and shot both diplomats dead.

The next attacks were in 1974. A group of men burst into the Turkish Embassy in Vienna and gunned down Ambassador Danis Tunali-gil, a senior diplomat close to retirement, and walked out. Two days later, Ismail Eröz, the Turkish ambassador to France, was shot dead as his car stopped at a traffic light by the Bir-Hakeim bridge near the Turkish Embassy. Mr. Eröz had been posted to France to mend relations damaged by official French participation at ceremonies in Marseilles inaugurating a monument to Armenian dead.

The assassinations took Turkey by surprise, and few people initially believed the anonymous calls to news agencies claiming responsibility for the attacks in the name of Armenian underground organizations.

Officials and the press in Turkey speculated that the killers could be Greek or Greek-Cypriot extremists, or Turkish militants who had fled abroad after the military intervention of March 1971.

There were reasons for the Turks' refusal to believe that members of their diplomatic corps were being killed by Armenians.

Nearly 50,000 Armenians still live in Turkey, most of them in Istanbul, and they are the most

privileged of the country's minorities. They go to their own churches, speak their own language, read their own newspapers and send their children to their own schools. They are a prosperous community, a tradition left over from the Ottoman Empire, when Armenians were bankers, merchants and industrialists and rose to high positions in the Ottoman bureaucracy.

In one of its publications, the Istanbul Armenian newspaper Jamanak drew up a list of Armenian dignitaries in the 19th century Ottoman Empire. There were 29 "pashas," the highest governmental rank; 22 cabinet members, including the ministers of foreign affairs and finance; 33 members of parliament; seven ambassadors; 11 consuls-general; 11 university professors and "41 officials of high rank."

In fact, Ottomans and Armenians got on so well together that the Sultan bestowed upon them the title of "the loyal nation" among the dozens of ethnic groups that made up the Empire.

This relationship lasted until the bloody events in eastern Turkey during World War I, which Armenians today call a "genocide" and Turks "an unfortunate wartime episode."

Before the spate of attacks against Turkish diplomats, claims of a mass killing of Armenians in 1915 already existed. But the Turks shrugged this off then as propaganda by a vocal minority, involved with other anti-Turkish elements rather than representative of the Armenian communities scattered around the world.

Turkish officials changed their attitudes when the number of killings increased.

(Continued on Page 14S)

## Tourism: Space and Lack of Crowds Add to Scenic, Cultural Attractions

ANKARA — By anybody's standards, Turkey should be a tourist's dream, but so few of them come here that it still remains one of the few uncharted areas for mass tourism and a paradise for travelers who shun crowds.

Because Turkey is the meeting point of the two peninsulas of Thrace, the easternmost part of Europe, and Anatolia, the westernmost tip of Asia, Turkey has thousands of miles of beaches, most of them deserted, and an average of 300 sunny days a year.

The northern coast, from the Soviet frontier to the Bulgarian coast, with lush, green mountains plummeting to the dark, choppy waters of the Black Sea, is almost devoid of tourists the year round.

The Marmara sea, despite polluted stretches near the industrialized areas of Istanbul and Izmit, is rich in fish, and peppered with tiny, beautiful islands.

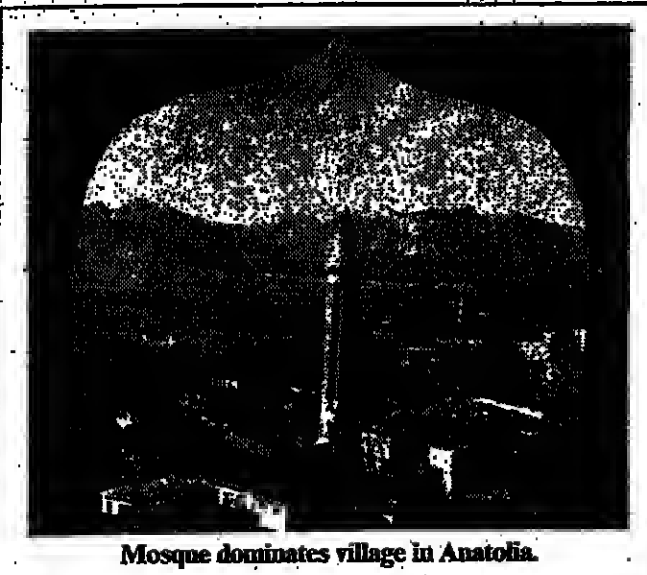
The west coast, eaten away almost fjordlike by the moody Aegean, is lined with the ruins of ancient Greek dwellings, interspersed with modern holiday villages and tiny fishermen's settlements.

The Mediterranean, with hundreds of miles of almost continuous beach, reaches out to the Syrian border, and except for the two or three brief winter months, offers year-round swimming.

It would be practically impossible to catalog the places of interest on the Turkish coast.

A very selective list, counter-clockwise from the Black Sea coast, would include Trabzon's Sumela Monastery; the fishing village of Sile; Istanbul and the Bosphorus; Gallipoli and the Dardanelles; Troy; Pergamum; Izmir, the former Smyrna; the seaside resort of Kusadasi and neighboring Ephesus, site of the Temple of Diana; one of the seven wonders of the world; Didyma and the Temple of Apollo; Bodrum, the ancient Halicarnassus, birthplace of Homer; and site of another of the seven wonders, the Mausoleum; Cnidus, the ancient city of Aphrodisias; the resorts of Dalca and Marmaris; Fethiye and the Dead Sea; the underwater city of Kekova; the fishing village of Kas; the tiny hamlet of Demre, where St. Nicholas is buried; Antalya; the Roman pirate port of Side; Alanya and the cave of the Seven Sleepers; Sifli; Maiden's Castle; the pits of Heaven and Hell; Tarsus, the meeting place of Caesar and Cleopatra; and the port of Iskenderun, the former Alexandria.

And of course, there are the attractions inland, such as the ancient Hierapolis, now called Pamukkale — literally, Cotton Castle — where one can bathe in hot springs in mountainous terrain turned snow-white from the water's calcareous deposits.



Mosque dominates village in Anatolia.

There are the lake areas of northwestern and southwestern Anatolia, where nature is practically untouched, and where the fishing and the hunting are excellent.

There is the ancient Seljuk capital of Konya, a major religious center, a virtual museum of pre-Ottoman Turkish architecture and where whirling dervishes still hold their religious ceremonies every December.

Farther east are the unique sandstone formations of Goreme and Urgup, whole cities and churches carved into the mountains, with the massive underground cities of Derinkaya and Kaymakli; a crisscrossing web of galleries and tunnels hundreds of feet beneath the surface.

In Urfa, near the Syrian border, one can see the holy trout, so numerous that their sides bleed from rubbing against each other, but which local religious beliefs render untouchable, therefore no fishing is allowed.

To these, add vast archeological riches, going from 3000 B.C. to the late 19th century, one of the world's leading cuisines, a tradition of hospitality to foreigners and an extremely favorable currency exchange rate.

But a marked lack of hordes of tourists is what makes Turkey really attractive to the discerning traveler.

Whereas neighboring Greece sees its population more than doubled every year with an influx of holidaymakers from all over the world, Turkey averaged less than 1.5 million foreign tourists in the eight years between 1974 and 1981, according to Turkish Interior Ministry statistics.

One reason for Turkey's lack of tourists may be its image abroad. Not quite Europe, not yet Asia, and only associated with the Mid-

dle East, Turkey appears either too far and too exotic for a quiet, nononsense holiday or too close and too tame for a really adventurous one.

Some Turkish officials believe that most Westerners have the image of scimitar-wielding, mustachioed warriors storming the gates of Vienna and threatening the survival of Christendom. The only scimitars tourists will see are either on display at the Topkapi Palace museum in Istanbul or are twirled overhead and loudly clanged against shields in the "Kilic-Kalkan" folk dance, which Istanbul tourism officials like to surprise unwary travelers with when they get off their cruise ships in Istanbul harbor.

Another apparent reason for the lack of tourists is that, despite the existence of liaison offices in the leading cities of the world, Turks have never been good at propaganda. And although a succession of governments over the years have promised an "explosion" in what has the potential to be Turkey's greatest money-maker, the tourist boom has not happened.

Local indecision on exactly which model to follow to develop the tourism industry has played a part in this, as well as local red tape and the political instability of the past years that have pushed foreign travelers to calmer areas.

The lack of a proper infrastructure also is a major problem, and there simply are not enough beds to accommodate large numbers of tourists.

"Thank God the 'tourism explosion' they've been talking about has never materialized," said a travel company official. "If it had, we wouldn't have known where to put everyone up."

— SINAN FISEK

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Fourth, Turkey has vast natural resources that are as yet virtually untouched. Forests as large as Finland's and immense potential for hydroelectricity are only two among many huge opportunities for development.

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## TURKEY

# Military: Sharp Increase In Spending Is Advocated

ANKARA — Standing in a chilly wind during Republic Day celebrations here last Oct. 29, Turkey's President Kenan Evren saluted units of the nation's armed forces passing in review. But some foreign observers in the crowd were decidedly unimpressed by what rolled by, notably the Korean War-vintage tanks and horse-drawn artillery.

"Unhappily, this is some of the best we have right now," a senior Turkish official told an incredulous American journalist, emphasizing that the nation's armed forces of 600,000 men still remain the largest in the West European area. "We urgently need to modernize our armed forces, and at last we are beginning," he added.

Turkish leaders are currently in the midst of high-level negotiations with the allies, primarily the United States, which are aimed at launching Turkey's most ambitious defense modernization effort since it joined the North Atlantic Treaty Organization just over 30 years ago. Major obstacles remain, such as the financing of planned multi-billion-dollar purchases of U.S. jet fighters. But senior Turkish officials sounded hopeful about progress in the talks, particularly in light of General Evren's overwhelming victory in the Nov. 7 referendum, which extended his power for seven years.

In an interview in Ankara, Defense Minister Umit Haluk Bayulken said, "We now have reason to believe that the United States and NATO as a whole accept the need for modernization of our armed forces." He noted that roughly 22 percent of the national budget already is spent on defense. "But this is not enough if Turkey is to be strong and credible in the area," he said.

Turkish government planners say they are seeking to boost military spending substantially from present levels to around \$12 billion over the next five years. This would include sharp rises in present levels of spending in Turkey by NATO countries, now running at around \$900 million annually, with the United States the top contributor. In 1982, Washington was to spend \$402.7 million under the U.S.-Turkish Defense and Economic Cooperation Agreement. West Germany was to be the next highest contributor.

Traditionally supportive of Turkish ambitions, senior U.S. dip-

lomatic and military officials said that the modernization effort will receive a major boost if Congress approves the Reagan administration's plan announced Feb. 4 to boost military spending from the present level to \$759 million in 1983.

Administration strategists are hopeful that U.S. legislators will accept the administration's arguments that Turkey has become increasingly important as a strategic deterrent to a possible Soviet attack through Iran, a consideration heightened by new questions over Soviet intentions regarding Turkey following the death of President Leonid I. Brezhnev. But for the strategy to be credible, U.S. and Turkish analysts said, sophisticated weapons and a modernized infrastructure are crucial.

An administration official in Washington said they will push hard for increased military aid in Congress "since we need to strengthen the southern flank of NATO." He added that as the Turkish economy continues improving, Ankara also should be in a better position to help pay.

General Evren, replying to questions submitted by the International Herald Tribune just prior to last November's referendum election, warned that "the Turkish nation cannot tolerate any attempt amounting to outright pressure or intervention in its internal affairs," a reference to West European criticism of Turkey's record in the field of human and political rights. Such criticisms, he added, "were counterproductive in nature and conducive to drift Turkey apart from the Western community of nations." Meanwhile, Turkey is proceeding with the modernization effort, consisting of the following:

- The improvement and modernization of roughly 10 Turkish air bases for use by U.S. forces in the event of what administration sources describe as "major crisis or war."

After 18 months of talks, U.S. and Turkish military officials agreed on a memorandum of understanding, which was initiated last autumn. The exact number, cost and locations of the bases are being kept secret amid widespread reports that the U.S. was primarily seeking sites in eastern Turkey that would be used to keep the Soviet Union from moving westward from Iran or south into the Gulf area. Mr. Bayulken and Robert

Strauss-Haupe, U.S. ambassador in Ankara, emphasized in separate interviews that the program was linked to NATO's so-called Quick Reaction Force, designed for combined defensive needs within NATO, and had nothing to do with the U.S. Rapid Deployment Force. The defense minister said, "The approach here is to defend the NATO area, not to move outside."

- The purchase of 160 U.S. jet fighters to replace the air force's aging fleet of F-104s and F-4s, which also were displayed during the Oct. 29 celebration. The contract is estimated at roughly \$4 billion.

Although Turkey previously considered French-built Mirage fighters and the British-French Jaguar, the competition has been narrowed down to several U.S. planes, including Northrop's F-20; General Dynamics' F-16A and the F-18A Hornet, the latter being the U.S. Navy's version of the F-18, for which McDonnell Douglas is prime contractor.

"The Americans, with whom we have the closest ties, made the best offers," said a senior Turkish defense planner. Financing remains a key, unresolved issue and U.S. executives, shutting in and out of Ankara since the beginning of the year have been trying to put together financing packages that would ease the problem, mainly by proposing so-called offset deals.

All three companies have proposed forming out manufacturing and assembling of the planes to Turkish industry. General Dynamics has proposed developing exports of Turkey's fledgling electronics industry. Northrop has proposed helping to market a wide range of products and services, such as Turkish wine, textiles, chromium and construction services, which the company estimated could be worth roughly \$2 billion in sales. The projects, if they materialize, would substantially offset the total cost for Turkish Aircraft Industry Inc., a government-controlled aircraft company.

Under the proposals, the Turkish group would assemble and help manufacture the planes and participate in overhaul work and possibly make components for non-Turkish customers of the planes. Sermet Pasin, Turkey's minister for external economic relations, said, "We used to make our own planes here before World War II and are anxious to reactivate the industry,



Turkish Army tanks dating from the Korean War era pass in review.

while developing our exports generally."

A team of Turkish aerospace officials began a tour of U.S. installations in early February to study further the three projects, U.S. company executives said. The new study will take several weeks and involve testing of the planes.

- Streamlining the army's aging fleet of 500 U.S.-made M-48 tanks, which are being fitted with new targeting and communications equipment as well as 105-millimeter cannons. Turkey also has purchased 77 new Leopard-1 tanks from West Germany, of which 18 have been delivered. The tanks will be displayed at the next Republic Day celebrations.

Turkish military authorities added that they were hopeful of purchasing French-German Milan anti-tank missile systems, which would be partly funded by Germany's 1980-1983 military assistance (Continued on Page 14S)

## U.S. Aid Is Sign of Improving Ties

By Don Oberdorfer

WASHINGTON — A sharp increase in U.S. aid to Turkey proposed Feb. 4 by the Reagan administration is the latest indication of steadily improving relations between Washington and Ankara.

The aid hike, the largest for any country in the world, was greeted with surprise and some reserve in Capitol Hill, where Turkey has not been a favorite in the past. Nevertheless, initial reaction to the proposal was relatively mild, considering the military government in Ankara, the lack of progress toward a Cyprus solution and the general antipathy to foreign aid at a time of domestic economic distress.

Under the administration's proposal, military and economic aid to Turkey in the fiscal year 1984 would total \$934 million. This is a substantial hike from the \$818 million recommended by the administration a year ago, and an even bigger jump from the \$650 million Congress actually made available in the fiscal year 1983 under continuing resolutions.

In keeping with the increasingly important military dimension of the relationship, the largest share of the proposed new aid program would be military assistance (\$759 million). Planned economic aid would actually be cut in half (to \$175 million) because of Washington's view that the Turkish economy has improved from the near-crisis point of recent years.

The aid recommendation followed an agreement signed last November by military officials of the two nations to construct a new Turkish air base and improve existing bases in Eastern Turkey, within striking distance of the Gulf and the Soviet Union.

The agreement signed by Assistant Secretary of Defense Richard Perle and General Necdet Ozturk of the Turkish General Staff was significant in the view of Washington officials, both as a substantive accomplishment and a symbol of growing accord between the two nations.

The planned air base at Mus will place U.S. and other NATO aircraft within easy reach of the Soviet Union's Transcaucasian border area, as well as Baghdad, Tehran and the important oilfields in the upper reaches of the Gulf.

The Turkish government of General Kenan Evren has declined to give advance approval for use of the new base by the U.S. Rapid Deployment Force. Its formal commitment to the Mus base — and 14 existing Turkish installations to be modernized under the November agreement — is limited to NATO uses in pursuit of agreed NATO missions.

Nonetheless, the installations will be military facts that will have to be taken into account by the Soviet Union and all other forces in the area, in the view of U.S. officials. "You look at where those bases are and they obviously have

importance in Southwest Asia," said an administration official.

The increasingly warm relations between Ankara and Washington contrast with the cool relations between Turkey and many Western European nations since the September 1980 military coup. While Europe condemned Turkey's military rule, the U.S. administrations of Jimmy Carter and Ronald Reagan were sympathetic and essentially supportive.

The State Department's most recent report on human rights, issued in February, declared that "Turkey is in transition from military rule to parliamentary democracy." The report stressed the national referendum of last Nov. 7, in which a 91-percent majority backed the proposed new constitution, as a major step toward restoration of civilian authority.

For all that, there remain acknowledged problems and limitations on a Washington-Ankara relationship that has had its share of trouble in recent years, especially during the Congressionally mandated embargo on the supply of U.S. arms to 1974-1978.

One problem is the unresolved Cyprus conflict, which gave rise to the U.S. arms embargo after the Turkish occupation of northern Cyprus in 1974. There is no sign of major progress in the negotiations to resolve the conflict.

The Reagan administration decided in its early months not to continue the energetic U.S. mediating role that had been assumed by earlier administrations. An informed official said, "We don't think a strong U.S. initiative would be welcomed by either party at this point."

A related difficulty is the continuing tension in overall Greek-Turkish relations. Although the U.S. administration seems clearly more in tune with Turkey than with Greece, especially since the coming to power in Athens of the Socialist government of Andreas Papandreu in October 1981, Greek-Americans continue to play an important role in the American body politic. A Greek-Turkish clash, or even an increase in tension, would have large-scale repercussions on the U.S. domestic scene as well as in the Mediterranean.

A specific difficulty for increased aid to Turkey arising from the dispute is the Congressionally imposed ratio under which assistance to the two countries is kept in relative balance. The executive branch of the U.S. government has never accepted the 7 to 10 ratio for U.S. aid to Greece and Turkey, respectively, but Congress has maintained it in most cases and Greek Prime Minister Papandreu was quick to cite it in a protest to President Reagan when the new Turkish aid program was unveiled.

No overall price tag has been disclosed for the improvements to the Turkish military bases and the construction of the Mus base under the November agreement, and U.S. officials insist that no accord has

been reached on how the costs will be apportioned between Turkey, NATO and the United States. A Congressional source, however, said that the Pentagon is prepared to ask for as much as \$1 billion for the construction.

The funds for the air bases are to be obtained through military construction accounts in the Pentagon budget, separate from the foreign aid bill. The new Pentagon construction budget includes \$66.7 million for a start on this work in the guise of "prefinancing," which eventually will be replaced by NATO funds. Officials are prepared to argue that the Greek-Turkish "ratio" does not apply due to the NATO angle and because the most expensive facilities are in Eastern Turkey, far from the area of Greek-Turkish contention.

An underlying limitation on Turkey's usefulness as a U.S. outpost near the strategic Gulf is that Ankara and Washington, and the societies they represent, are not in accord on many aspects of Middle East politics and policy. As an Islamic country with a large and even growing dependency on its oil-rich neighbors, Turkey is leery about U.S. ties to Israel and would not wish to be seen as cooperating with Washington against the interests or wishes of friendly Arab states.

It is out of this concern that Turkish authorities turned down U.S. entreaties that the improved air bases be open to unrestricted use by the Pentagon's emerging Rapid Deployment Force. A Turkish diplomat explained: "We Turks are part of Europe but we are also in the Middle East. We cannot give blanket approval to the United States for something we don't know." He was referring to future U.S. military activity in the region from Turkish bases.

One senior Turkish figure informally told an American official, according to a reliable account, that Turkey would not permit use of its territory to support Israel in another Arab-Israeli conflict such as the 1973 war. But he reportedly added that if the Russians move into the Gulf or make some other move threatening to the area, Washington should "trust us" to permit use of the Turkish facilities no matter what the formal decision of NATO.

James W. Spain, former U.S. ambassador to Turkey, said that, in the NATO context, "We and the Turks have been knocking around for 30 years and by now we resemble an old married couple. We might disagree about what we're going to have for dinner tonight, but we know we're going to have dinner together." In the Middle East context, however, this easy familiarity is lacking. "When you move out from NATO to the Persian Gulf, there are some clear-cut differences," Mr. Spain observed.

The Gulf has been a large-scale and urgent concern of several U.S. administrations, especially since

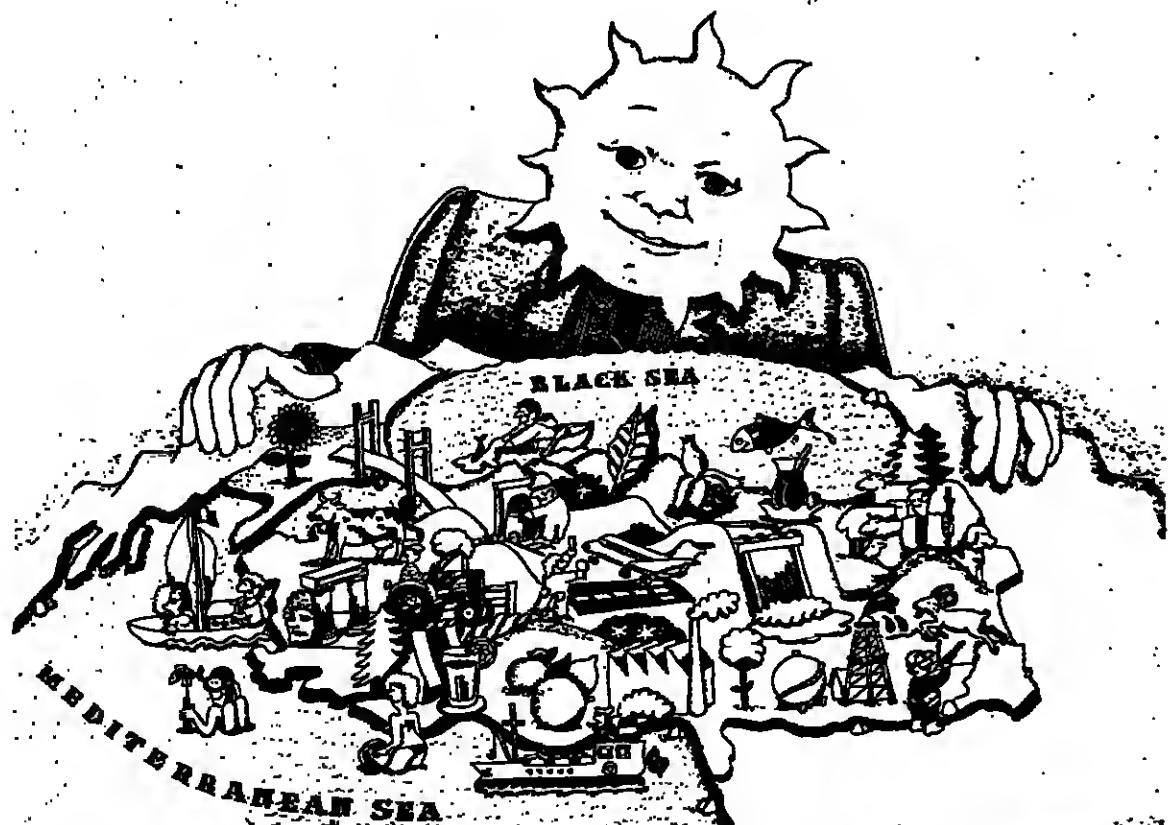
the triumph of the Iranian revolution in 1979 and the Soviet invasion of Afghanistan in December of that year. It was in mid-1980, in the wake of these events and following the "Carter doctrine" pledging the use of U.S. forces to repel outside attacks on the area, that the Carter administration first broached the idea of Turkey of standby U.S. rights to use improved Turkish military facilities.

The 1982 version of the Consolidated Defense Guidance, the Pentagon's secret strategic planning document, said the principal U.S. military objectives in the Middle East and Southwest Asia "are to assure the continued access to Persian Gulf oil and to prevent the Soviets from acquiring political-military control of the oil directly or through proxies." To this end, according to the document, which was obtained and reported by George C. Wilson of The Washington Post, the administration is prepared to allocate more resources to the area, especially to make it possible for U.S. forces to be introduced to the area rapidly and directly "should it appear that the security of access to Persian Gulf oil is threatened."

In a paragraph of particular relevance to Turkey, the Pentagon document called for priority attention to "the close strategic relationship of the southeastern forces of NATO with the Persian Gulf region." Forces should be provided that can be used "both in the direct defense of NATO and in the defense of Allied interests of Southwest Asia," according to the document, pointing out that improvements in reconnaissance, warning and fighter defense of southeastern part of NATO "would in themselves have a direct application to defense of the upper Gulf and so would increase the deterrent."

Such concepts are likely to be cited in justification of U.S. spending on the Turkish bases under the November agreement, and also to justify plans under discussion between Ankara and Washington for modernization of the Turkish air force. Turkey originally asked for 291 advanced warplanes, such as F-16s or F-18s, to completely replace its antiquated air force. Because of budgetary limitations in Washington, the request has been trimmed nearly in half, to about 160 new aircraft over 10 to 12 years. Even so, the cost would be \$4 billion to \$5 billion, far more than the U.S. administration is able to finance in present circumstances.

The military aid proposal recently submitted to Congress would provide the resources for at least a small start on the modernization of the Turkish Air Force, perhaps the purchase of 20 to 40 modern warplanes, according to an administration official. It might also make it possible for Turkey to begin improvement of its air defense facilities.



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A crowd of Moslems in the garden of Istanbul's blue mosque.



## Parties: Defining A Role

ANKARA — Next Oct. 16, barring "unexpected obstacles," Turkey will hold general elections to end rule by the military government, which will then be 3 years old, and to take the final step toward the "lasting democracy" that the government leaders have pledged.

The theoretical "unexpected obstacles" is a safety clause put by General Kenan Evren in the timetable for a return to democracy that he announced shortly after seizing power in a military coup in September 1980. He has respected his timetable meticulously, and there is no reason to think that he will not continue to do so.

Shortly after his takeover, General Evren — who also is the chief of general staff — promised the creation of a constituent assembly to draw up a new constitution.

The constitution was to be submitted to a referendum, after which new laws covering the status of political parties and a new electoral system would be promulgated. All this was to lead to general elections and a return to civilian rule.

The civilian government is headed by a former commander of the navy, Bulend Ulusu, who retired less than two weeks before the coup.

Members of the constituent assembly were named by the ruling five-man National Security Council, some of them picked from short lists drawn up by provincial governors.

The constituent assembly committee that drafted the constitution now has concluded work on a law dealing with political parties and is working on an electoral law. Although polling is only seven months away, there should be plenty of time for the law to be enacted.

"Electoral laws are easy," said the constitutional committee chairman, Orhan Aldikacti. "We could probably draft one in five or six days, if we had to. God knows we have the experience."

In its brief existence as a democracy — the multiparty system did not come into effect until 1946, although the republic was proclaimed in 1923 — Turkey has tried a variety of electoral systems more or less successfully.

Interviews with committee members showed that most of them favored a barrage system that would eliminate smaller parties after a first round and leave the field clear for a choice between the two or three parties obtaining the highest number of votes.

Work on the parties' law was concluded recently, but the generals earlier had made known what they wanted: There will be no communist party — but Turkey has never had one in its 37-year-old multiparty democracy. Parties that are fascist or religious — meaning Islamic fundamentalist in this secular, but 98-percent Moslem country — also are forbidden. Turkey has had fascist and religious parties in its recent past, and they both played parts at least as important as the extreme left in leading the country to civil strife.

This leaves the way open to the right-of-center and the left-of-center, which have dominated post-Turkish political life, and to the center, which has never had much success.

The two most authoritative figures in Turkish politics during the last decade were Suleyman Demirel and Bülent Ecevit, both today in their late 50s.

Mr. Demirel led the conservative Justice Party and controlled about half of the Turkish vote, and Mr. Ecevit led the social-democratic Republican People's Party and more or less controlled the other half. Their parties no longer exist.

Mr. Ecevit has complained bitterly about the closure of the RPP, which was created by Kemal Ataturk — the man who founded the Turkish republic and whose principles the generals have vowed to follow. The RPP was the country's only party until 1946.

Last fall, both Mr. Ecevit and Mr. Demirel were banned from active politics for 10 years, as were most of their closest aides. Other prominent former members of parliament have been banned from running for office for five years and from forming new parties — but not from joining them.

"This is a small punishment we have meted out to them," General Evren said. The implication was that they could have been jailed for a long time — or worse — for having failed to end their squabbling when the country was on the brink of internal strife — or in the midst of "a civil war by proxy," as an assembly member put it.

But most observers agree that it would be naive to think the old parties dead. The political groups to be formed probably will follow the lines of their predecessors to engage the support of already established local organizations, contacts and pressure groups.

Whether Mr. Demirel and Mr. Ecevit will lead the new parties from behind the scenes is not certain. Many observers believe that the former leaders' political careers ended with their bannings. They will both be in their late 60s before they are allowed to stand again for elections.

Mr. Ecevit, who faced strong opposition within his own party before the coup, may have more trouble making a comeback — if, of course, he wants to. Mr. Demirel, however, is considered the undisputed head of his officially disbanded party, and he has a prede-

(Continued on Page 125)

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## TURKEY

## Overseas Contracts: Economists Predict Continuing Growth

ANKARA — Encouraged by the gradual easing of severe delays in payments by Libya, Turkey's overseas contractors are enjoying an unprecedented boom that has made the sector into one of the country's principal sources of foreign exchange.

The surge in contracting work is like an accompanying export boom, the direct result of an austerity program at home that has forced Turkish companies to seek survival in overseas markets, particularly in the Middle East. Turkish companies currently hold contracts worth more than \$15 billion in the Middle East, compared with \$2.9 billion at the beginning of 1981. Over the last three years, the Middle East has overtaken the European Community as Turkey's major trading partner.

And further expansion is expected. According to Nurettin Kocak, chief of the Turkish Contractors Union, total contracts could easily rise in the future to \$20 billion with an annual turnover of \$5 billion and income of about \$1.5 billion a year. Bids worth several million dollars are outstanding.

In addition, the contractors are planning to expand their activities to the Far East. Recently, Mr. Kocak traveled to Indonesia where Turkish and Indonesian contractors signed a cooperation agreement. And large Turkish contracting companies are already sizing up Thailand, Malaysia and Singapore.

There are now about 160 Turkish companies working in the Middle East, of which about 50 are large, well-established firms. About 150,000 Turkish workers send home remittances totaling \$1.3 billion a year, overtaking the \$1.2 billion of remittances from Turkish workers in Europe, and representing a major source of "invisible" earnings for the troubled balance of payments.

The country of major activity remains Libya, where existing contracts, involving 90,000 to 100,000 Turkish workers, amount to more than \$9 billion. Libya is followed by Saudi Arabia, with \$3.5 billion worth of contracts, and Iraq, with more than \$1 billion. Other contracts in the Gulf and North Africa amount to \$1.2 billion.

Early in 1982, a sharp decline in Libyan oil revenues caused severe payments delays to Turkish export-

ers and contractors. According to Umur Arik, the Foreign Ministry's director-general for economic affairs, in the fall of 1981 Turkish contractors were owed about \$200 million and \$250 million worth of exports had been contracted by Libya but were unpaid.

At first Libya offered its contractor-creditors barter agreements of crude oil. But because of high Libyan oil prices, as well as Turkish contractors' inexperience on the spot market, such arrangements were deemed unattractive. The large Turkish contracting firm Kozanoglu-Cavusoglu reportedly lost an estimated 30 percent on a \$27-million oil shipment it accepted on a one-time basis.

After months of talks between the Libyan and Turkish governments, an agreement was reached last summer regarding imports of two million tons of oil. According to Mr. Arik, the accord stipulated that 30 percent of the purchase price is to be held in Turkey to pay exporters, while Libya agreed to use the remaining 70 percent to speed up delayed contractors' payments.

Although the Libyans' foreign currency liquidity problems have not been totally resolved, according to Mr. Kocak the worst of the bottleneck is expected to be over by the end of this year. He said that because of the value they put on the future Libyan market, Turkish contractors have been very understanding, revising their plans and extending the length of their contracts.

According to Professor Emre Gonensoy, a board member at Enka Holding, which with \$1.3 billion of overseas contracts is Turkey's largest single contractor, "there is no longer any real problem; they are one or two months behind, but that's all." Mr. Gonensoy believes that earlier alarmist reports of impending bankruptcies may have been circulated by Turkey's smaller contractors, who naturally would have a greater problem with payments delays and whose difficulties in competing with larger rivals might have led them to try to stimulate government help.

A contracting executive, who asked that his name not be used, said that in any event Turkish businessmen were used to payments delays. "After all, the Turkish govern-



Sheep graze near Mount Ararat.

## Agriculture: Development Efforts Paying Off

ANKARA — The *faras*, or factories, question has long divided Turkish politicians and economists, but the colorful abundance that marks most greenhouses' shelves in Turkey makes it clear that the government's policy of increasing emphasis on the agricultural sector has paid off.

Although agriculture has long been a poor cousin to Turkish industrial development projects, Turkey's vast agricultural farmlands — some 28.5 million hectares (70.4 million acres) — are nevertheless rich enough to have made it one of the few countries in the world to be self-sufficient in food production, with significant quantities left to export.

Now, however, there is growing awareness that inadequate irrigation, low levels of technology and insufficient investment have kept production far below its potential.

And there also is concern about long-term population growth and with the current living standards of the more than 23 million people who still live off the land.

Agricultural experts estimate that if average European levels of technology were to be

uniformly applied in Turkey, crop production could be doubled or tripled and animal husbandry expanded.

Because of a recent surge in industrial exports, last year's agricultural exports slid into second place for the first time. Not surprisingly then, Turkish agriculture officials believe further encouragement of food production would guarantee a valuable source of foreign exchange.

Today, Turkey is one of the world's top 10 wheat exporters and the world's single largest supplier of hazel nuts, figs, raisins and Turkish (as opposed to Virginia) tobacco. Despite farmers' objections to government payment methods, 1982's wheat crop was at record levels of more than 14 million tons. Barley was expected to reach a record output of about six million tons, and corn, at about 1.5 million tons, was larger than the previous year. Total citrus exports in the 1981-1982 marketing year increased to 252,139 tons, against 212,000 tons the year before. And record levels of sugar production of 1.5 mil-

lion tons allowed the country to regain its exporter status in that field.

But the reduced level of overall Turkish investment, which in 1982 was about 1.87 trillion Turkish lira, has acted as a constraint. In many areas yields are significantly lower than elsewhere in the West. And poor packaging and marketing methods have been an obstacle to exports.

In recent years, the government has sought to push the sector toward its full potential. Agriculture's share of investment has risen to 12 percent. There have been easy credit terms and foreign exchange allocations for exports, international help and a series of new pilot programs designed to increase quality and quantity.

One reason for the new policy is the lure of foreign exchange. Ministry of Agriculture experts expected food exports in 1982 to bring in about \$3 billion, about half of total export earnings. The current export boom has reduced agriculture's share of exports to below half, from 59.4 percent in 1979. But the (Continued on Page 145)

## Turkish Workers in West Germany: No Progress in Integration

Special to the IHT

ISTANBUL — The Turkish cemetery in Berlin is on Kolumbiadamm. The land on which it is situated was bought by Prussian King Frederick Wilhelm as a burial ground for an Ottoman ambassador who died while serving in Berlin.

In the early 1970s, a group of Turks established a society to care for the cemetery, which, over the years, was overtaken by weeds, shrubs and wild flowers. Members of the society broke into the cemetery, trimmed the grounds and built a small mosque. They also bought a new plot behind the mosque.

The small cemetery around the column marking the ambassador's

grave was almost filled with graves of other expatriate Moslems — an Iranian diplomat, an Egyptian merchant, a Pakistani who died in a traffic accident and others whose tombstones have been wiped clean by rain and wind.

A member of the society said: "It costs thousands of marks to ship bodies to Turkey. We thought it might be a good idea if we saved people from this expense." The idea might have been good but it did not work. The community buried only its babies in the Turkish cemetery and continued shipping older people home.

"We are not going to leave our dead in an infidel country," a Turkish worker in Berlin said. Probably nothing demonstrates better the fact that the 1.5-million

Turkish community does not consider Germany "the sour motherland" in a Turkish song a permanent home, although 25 percent of them have been living there for more than 10 years and the majority of the rest for more than six.

It also underlines the difficulty that the German authorities face in integrating the Turks: the majority neither want to return home nor stay in Germany. They do not want to go because unemployment in Turkey is high and prospects for newcomers are not bright in general.

Their motives for not wanting to stay are more complicated. Turks are among the most patriotic people in the world. Nearly half of the folk songs in the Turkish language are laments about life in *gurbet*,

foreign lands away from one's place of birth. The majority of the workers are people from the countryside and consider the German way of life a threat to Islam and their traditions, to which they are deeply attached.

In 1982 only 108 of the 120,000 Turks who live in Berlin took German citizenship, although most of them are eligible.

Aras Oren, a Turkish writer who lives in Berlin, said: "Most of these people live the kind of life which the Germans discarded a long time ago. In fact, the sort of life they are trying to protect is going out of fashion even in Turkey. During the daytime they live in Germany and at night go back to their villages in Asia Minor."

Turks started coming to Germany in large numbers in the late 1950s to bridge the labor gap during the economic boom. When recruitment was banned in 1973, Turks started putting their roots down because they realized that once they left they would be unable to return. Most brought their families and relations.

Heinz Kuhn, former prime minister of Nordrhein-Westfalen, said: "It has to be recognized that an irreversible development has taken place." In a regional representative survey, 42 percent said they had no intention of leaving. An equal number said they had "no concrete plans" for returning.

Mehmet Akgun, a Turkish worker in Stuttgart, said: "During the boom the Germans were not exactly in love with us but tolerated us. When the crisis started they started hating us and the tolerance disappeared. During the boom we were being praised for being diligent and hard-working. Now we are dirty pigs."

Turks aroused more hostility than other guest workers for two main reasons. The others — Yugoslavs, Italians, Greeks, Spaniards and Portuguese — are Christian, European and better adapted to life in Germany. They integrate or get lost in the crowd. The Turks stand out because they are Moslem and dress and live differently. The men sport large mustaches and cloth caps and the women drape raincoats and scarves.

About 80 percent of the adult

Turks speak little German or none at all. Secondly, while the other immigrants come and go, the Turks seem to have no intention of leaving and, paradoxically, no intention of integrating. More are coming despite visa restrictions.

The government seems reconciled to the fact that the Turkish community is in Germany to stay. Its plan is to stem the inflow of newcomers and "integrate" the Turks, most of whom are indisposed to the economy because they are employed in "dirty sectors" like the steel industry and mines. The Germans do not want their jobs. Integration, however, is not easy. For two decades the Germans seemed to consider the Turks mainly as a transient phenomenon of the labor market and paid little attention to their social needs.

It is only recently with the rising and growing anti-foreign feeling that the authorities have begun to look closely at the problems of Turkish worker ghettos. The problems are vast and probably insoluble. There are more than half a million Turkish children and adolescents, a tribe lost between Asia Minor and Europe, neither German nor Turkish, Christian nor Moslem, city folks nor peasants, but a mixture of all.

Referring to the children, Mr. Kuhn said: "The current problems are a challenge that has to be taken up now, because otherwise the problems threaten to become insurmountable, and this would have disastrous consequences."

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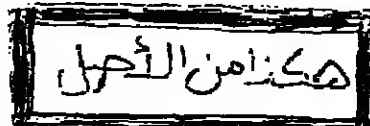
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## TURKEY

## The Press Remains a Strong Force Despite History of Problems

ISTANBUL — The press remains a strong force in Turkey despite a history of economic problems and official government pressures, which have increased in recent years.

There are about 400 periodicals in Turkey, but until recently, only five dailies accounted for most of the two million newspapers sold to the country's population of about 50 million. These were the independent *Hürriyet*, which at more than 600,000 copies is the country's largest newspaper, *Milliyet* and *Günaydın*, the conservative *Tecrüman* and left-of-center *Cumhuriyet*.

Turkey's oldest daily, *Yeni Asır*, founded in 1895, is a local İzmir newspaper that ranks at the top in circulation but is not considered one of the "big five" because of its mainly regional coverage.

A recent addition to the Turkish press is the daily *Güneş*, which has increased the number of leading national dailies to six.

*Güneş* created a crisis in the Turkish press with its first publication a year ago. Its owners, a couple of wealthy Istanbul businessmen, invested large amounts of money into building an impressive staff and printing works. Offering the biggest salaries on the market and paying handsome "transfer fees," the newspaper gathered the best-known names in the Turkish press under its masthead.

The result is a combination of in-depth reporting, serious political commentary, scandal-sheet news, chit-chat, how-to columns, photo-novels and tabloid-type headlines produced, like most Turkish newspapers, in full color.

"Bab-ı Ali (the Sublime Porte, heart of Istanbul's publishing industry) will never be the same again," a senior journalist said.

Most Turkish publishers believe that the sale of their newspapers depends largely on colorful presentation. *Cumhuriyet* is the sole notable exception.

With production costs high and sales relatively low,

many Turkish newspapers carry on side businesses with their readers, supplying them with a variety of goods — from apartments to cars to television sets — on favorable credit terms. These lucrative dealings have helped increase circulation. They also have kept the expensive offset printing presses supplied with newspaper, whose government-controlled prices increase steadily.

In fact, the technical side of the Turkish press is so advanced that many journalists believe that the quality of contents has failed to catch up.

"The body is developing, but it still has the same, small head," said writer Sabahattin Selek, a longtime observer of the Turkish press.

This is one of the reasons for newspapers' relatively small readership. Mr. Selek said, noting that news magazines were not successful in Turkey.

The most enduring of the weeklies is *Yanık*, published in Ankara, but its readers do not number near those of the dailies.

Specialized magazines have begun to flourish, and three examples could lead the press to a better understanding of what Turks want to read.

The first is a humor magazine, *Girgin*. Under its veteran editor, cartoonist Opuz Aral, it has become an institution, cheerfully and fearlessly poking fun at officialdom and social foibles. It is Turkey's biggest weekly and — after the Soviet *Krokodil* and the U.S. *Mad* magazine — the world's largest-selling humor magazine, according to its publishers. *Girgin* sells about 400,000 copies.

The second is *Ertok*, a glossy, Playboy-type monthly that sells more for its articles, interviews and stories than for its photographs, which do not compete with the amount of skin bared in photos in the country's numerous weekly scandal sheets.

The third is *Bilim ve Teknik*, a science magazine that reaches a vast audience.

"This means that the Turkish public is developing and

will not buy just whatever the publishers push on the market," an Ankara journalist said. "It also means that most people in the press business are not really aware of what the public wants."

"What could be more obvious than a humor magazine selling to a nation that has had more than its share of unhappy moments; a science magazine selling in a country that is always a little behind in technological development, and a sophisticated girlie magazine selling in a sexually repressed society?" he said. Economic and production problems are important, but government pressures, for which there is considerable historical precedent, have been the most recent visible problem for the Turkish press.

Agah Efendi published the first independent Turkish newspaper in 1860, only to see it closed down by the sultan six years later. Agah Efendi was forced to flee abroad.

Another journalist who spent years in European exile, Ali Suavi, was killed in 1878 as he tried to lead an uprising against the sultan.

Namik Kemal spent his 48 years writing nationalistic articles and verse, sometimes in exile, before dying in a dungeon in Famagusta, Cyprus.

Government agents gunned down opposition journalists in the streets during the years preceding World War I. The *Official Gazette* was closed down because of a printing error in an article — and remained closed for a dozen years.

Another journalist, Hasan Tahsin, is credited with having fired the first shot of the Turkish War of Independence against Greek troops occupying the Aegean port city of Izmir. However, as soon as the republic was proclaimed in 1923, some journalists who had been critics of the former government were among the first to appear before revolutionary courts.

Newsmen were in and out of jail and newspaper offices and printing presses were destroyed by violent crowds, believed to have been incited by the government, in incidents up until 1950.

When the Democrat Party government of Adnan Menderes arrived in power after Turkey's second multiparty elections, the press received its first taste of real freedom. However, beginning in 1954, repression gradually increased. Newspapers were closed down, censorship was reimposed and scores of journalists were jailed.

After the overthrow in 1960 of Mr. Menderes' government by the military and the adoption of a new constitution in 1961, the press was given unprecedented freedom. Restrictions were imposed with the return of martial law in 1971, but the relative lack of press freedom only lasted until general elections in 1973.

Journalists then were able to write freely but became the targets of extremists in the period of near civil war between 1977 and 1980.

Abdi İpekçi, editor-in-chief of the independent daily *Milliyet*, was "a voice of sanity in a time of chaos," one of his obituary notices said. He was shot to death in 1979 near his home by a rightist terrorist — Mehmet Ali Ağca. Mr. Ağca now is serving a life sentence in an Italian jail for his 1981 attempt to kill Pope John Paul II.

Mr. İpekçi's murder was perhaps the most important single political assassination in a period of violence that escalated to as many as 30 deaths a day.

Ironically, the death of Mr. İpekçi, who had spent 30 of his 50 years defending democratic values and freedom of expression, helped bring about the September 1980 coup and a government that has closed down newspapers for periods of time and sentenced some journalists to prison.

One of the first things the new government did was to close down two newspapers — one rightist, *Hergün*, the other leftist, *Aydinlik*. Martial law brought automatic censorship, and the National Security Council issued decrees

further restricting the press. Prison sentences for criticizing the new government were doubled if the criticism came through the media.

Newspaper editors applied self-censorship. Also, an editor said that telephone calls from martial law officers sometimes asked that certain stories be ignored.

"The colonel on the other end of the line would sometimes even tell you how many columns your story should run and which page it should be printed on," the editor added.

Editors became aware that the military rulers would accept no criticism, however well-meaning. Turkey's major dailies sporadically disappeared from newsstands as temporary bans halted their publication. Journalists throughout the political spectrum found themselves in and out of jail. Four out of the country's five leading dailies were closed down at one time or another, the sole exception being *Milliyet*.

One of the latest victims of the crackdown was one of Turkey's oldest newspapers, the respected left-of-center daily *Cumhuriyet*. It was first published in 1924 by Yunus Nadi, a close friend of the late founder of the republic, Kemal Atatürk, whose principles the military has pledged to follow.

In January, the publisher and chief editorial writer Nadi Nadi, 75 and son of the newspaper's founder, wrote on the front page: "Readers will probably look at this and say, 'This man has wasted his life.'" Mr. Nadi then printed verbatim an editorial he had written in 1961, criticizing the military regime of that period for measures against Atatürk's principles. Mr. Nadi said these measures were similar to those being adopted by the present government.

The newspaper was closed on Jan. 24 for an "unlimited period," but allowed to reopen on Feb. 17. However, Mr. Nadi was brought to court, where he faces a six-year sentence if convicted.

— SINAN FISEK

## Yasar Kemal: 'I Am a Novelist of Changes... I Am Not Defending Something'

PARIS — Yasar Kemal is the first Turkish novelist to gain a wide readership outside his country and a perennial candidate for the Nobel Prize for literature — but he would rather talk about herbs.

"If I hadn't been a writer," he said, "I would have been a herbalist. Spending the entire year in the mountains, trying to find one plant, living with nature — I can't think of anything more poetic."

He knows the nature in his native Cukurova, the fertile southeastern Turkish plain stretching from the foothills of the Taurus mountains to the Mediterranean, like he knows the back of his hand.

Cukurova also is the setting of most of his novels, including his best-known work, "Memmed My Hawk," a tale of banditry in the Taurus mountains that Peter Ustinov has just finished filming in Yugoslavia.

Nature is a subject close to Yasar Kemal's heart, and some of the most beautiful passages in his books are rich descriptions of nature.

"Every piece of nature has its own personality," he said recently. "No two trees, no two birds, ants, bugs or flowers are alike. We write of the inner contradictions of man, but no one writes of the terrible inner contradictions of nature."

He added: "A novelist shouldn't necessarily be a biologist — but he should at least have a sense of smell."

Yasar Kemal's love of nature comes in part from his

being a country boy. Born in Cukurova in 1922, he led a life more colorful than most fictional characters.

As a child, he saw his father murdered, later he dropped out of eighth grade and worked at more than 30 jobs; from apprentice cobbler to apprentice minstrel, from building inspector to public school teacher.

His favorite employ was as a watchman in the rice paddies of Cukurova. The paddies were watered by the Savrun River, he said, "and I would walk the 50 or 60 kilometers from Anayaz to the Savrun's source in the Taurus mountains twice a week."

It was also during these long treks that he learned to write, thinking out his novels as he walked — a method he still uses.

"I write while I'm walking," he says and, at 61, still a formidable marcher, he spends hours in the streets, rain or shine.

From the age of 17, he became interested in folk songs and poetry, and worked with a number of *ask*, wandering minstrels who have roamed Anatolia from village to village for centuries, accompanying themselves on the *sez*, a long-handled lute, and singing from memory songs of love, heroism and religion.

"I come from a tradition of great epics," he said. "I am the last link in that chain."

He defends the rich and earthy poetry of the minstrels, and their originality.

Tolstoy wrote in the 19th century that there were no

more heroes," he said. "But Koroglu [a semi-mythical 16th-century warrior-minstrel] had said the same thing 300 years earlier."

But the minstrel tradition alone is not enough to make a great novelist, and Yasar Kemal, who maintains that "you cannot make modern literature on oral traditions alone," is a formidable reader.

"If a writer doesn't know the literature of the world at least as well as he knows his own basic culture, if he has missed out on Tolstoy, Dostoevski, Gogol, Balzac, Stendhal or Faulkner, he cannot really be a writer."

He is impatient with most present-day writers but does not hide his admiration for William Faulkner, to whom he has sometimes been compared.

"If Homer had been born in this century," he said "he would have written like Faulkner — but less complicated."

"Faulkner sought a new form in every novel he wrote, that is why I have great respect for him," he said. "If a work doesn't bring a new form of imagery, I see no reason for it to be written."

He liked Faulkner but deplored the lack of books by Americans translated into Turkish. So after he became a literary box office with "Memmed My Hawk," he put forward a condition to would-be publishers:

"You can have a novel by Yasar Kemal if you publish a novel by Faulkner," he said.

After a brief stint in jail for a political offense in the

late 1940s, Yasar Kemal moved to Istanbul, where he worked as a feature writer for a newspaper.

It was his last salaried job — and the beginning of a prolific literary career.

In Paris last autumn, he received the Del Duca award, a \$30,000 prize whose earlier recipients include writers such as France's Jean Anouilh, Italy's Ignazio Silone, Argentina's Jorge Luis Borges and Senegal's former president, the poet Léopold Sedar Senghor.

Two years previously, one of his books was voted best foreign novel of the year here, and a play from one of his novels won first prize at a theater festival in Nancy. "Memmed My Hawk" alone has been translated into 28 languages, and his European readers are concentrated in France, Germany, Britain and Scandinavia.

In the 1960s, he was one of the founders of a leftist magazine, and was for a while a militant of the Turkish Labor Party. But now, he will not discuss politics.

"I am a novelist of changes," he said. "I am not defending something, I am only explaining the changes."

He took Cukurova as an example:

"In the 1920s, there were 10 large marshes in Cukurova, filled with all kinds of birds — there were even flamingos. There were gazelles."

"Then, in the 50s, the tractors arrived, and the nature there changed immediately — no more marshes, no more gazelles."

"The nature under feudalism was different, it is different under capitalism. The nature of human relations,

too, have changed and, as a result, human psychology has changed. I was very fortunate as a writer to have been able to observe firsthand such huge modifications in both nature and people in my lifetime. It is the story of these deep-rooted changes that I am trying to tell."

He compares his source of inspiration, the Cukurova Valley, to the Nile Delta; but rooted as he is in tradition, Yasar Kemal also believes that imagination — "dreaming," he calls it — must change with the times. "You must live people, live nature, live dreams," he said. "The idea is not to write what you live, but to enrich your dreams and your imagination through what you have lived. You could describe one person, he has his riches too — but to go beyond a single person, you must see many people, you must see much nature, you must see many dreams. Dreams too have their limits, but these limits can be expanded. Man can go to the moon now, so why shouldn't a writer have richer dreams?"

Despite all this talk of flowers and dreams, Yasar Kemal is no ascetic, romantic moon-gazer. A gruff, bear-like man, six feet tall, his one good eye peering sharply from behind horn-rimmed glasses, his explosive and contagious laugh rattling windows, he exudes power and enjoys good food and good drink. "Except when I'm writing," he said. "When I'm writing I don't smoke and I don't drink. I'm in bed by nine. I take care of myself as one would take care of a racehorse."

— SINAN FISEK

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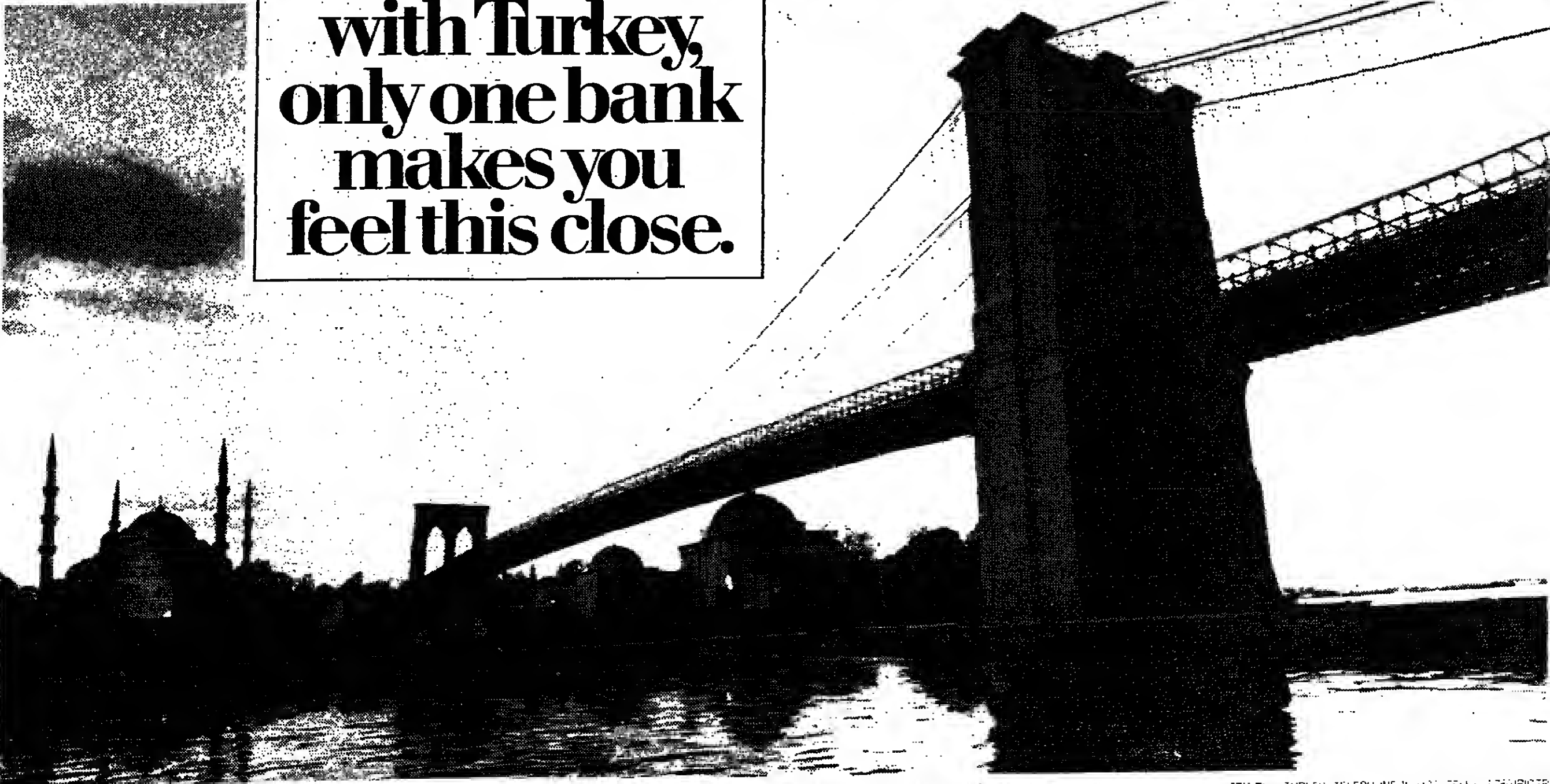
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## TURKEY

Torture of Suspects  
Centuries-Old Issue

ANKARA — The traditional reply to the question, "Is there torture in Turkey?" is usually "yes and no."

Yes, because Turks often expect mistreatment when they have to deal with police in the cities and gendarmes in the countryside; and no, because most people do not believe torture is official policy. The general treatment that Turks undergo in the hands of security officials may be bad, but what angers many Turkish politicians and government officials is that the world community only notices when Turkey is going through times of crisis, when students and intellectuals receive the same treatment that the man-in-the-street suffers.

The problems seem to be that the mistreatment of prisoners has become institutionalized over the decades — not to mention the centuries — and seems to be largely due to the inefficiency and poor training of the police.

One internationally recognized specialist, a Turk, who has been carrying out a detailed study of the issue, was careful to underline that the current government was not responsible for the present state of affairs. The specialist, who asked to remain anonymous, said that most of the blame fell on "tradition" and on previous governments, which, in attempts to politicize the police force, hired anyone who was sympathetic to the party line, regardless of qualifications.

A year ago, the prime minister's office announced that the military regime "does not tolerate or condone torture" and had begun criminal proceedings against persons accused of torture in 14 of 68 incidents alleged by international organizations. There is other evidence that authorities are now taking more effective action against torture.

On the other hand, the specialist cited several examples that he said showed at least that torture may still be tolerated at lower levels.

One was the case of a police inspector on trial for the torture-murder of a prisoner. "He was released from detention by the court at the session prior to the sentencing," the specialist said. "He was sentenced to 14 years in jail and, of course, has not been seen since."

He cited the case of another policeman, sentenced to a year's imprisonment for the torture-death of a suspect. The law holds that, after leaving prison, the policeman should have been barred from

holding a public post. "But he is still a member of the police force," the specialist said.

The specialist was asked, in a recent interview, why allegations of torture in Turkey are more widespread now than at the times of previous governments.

"Let there be no mistake," he said, "these figures for torture and torture-related deaths under this regime do not mean that things are worse now. They are higher only because there are more people in jail, but proportionally they are the same as under any previous regime, be it right-wing or left, and the techniques are almost always identical."

The specialist listed the official responses to allegations from international pressure groups, such as the London-based human rights group Amnesty International, of incidents of torture in Turkey under the present government.

Turkish officials said that from September 1980 to October 1982 they received complaints on 340 cases of torture. Of these, 316 complaints were under investigation; 171 allegations were unfounded; trials concerning 37 cases were continuing; and 16 cases had been concluded, with 34 officials acquitted and 15 sentenced to prison terms. Of the 93 defendants in the 37 cases pending resolution, 17 were under detention and 76 free on bail.

Responding to allegations that 204 people had died under torture in Turkish prisons in a little more than two years, military officials gave the following breakdown: 171 allegations were unfounded; trials concerning 37 cases were continuing; and 16 cases had been concluded, with 34 officials acquitted and 15 sentenced to prison terms. Of the 93 defendants in the 37 cases pending resolution, 17 were under detention and 76 free on bail.

The specialist, sifting through reports, claims, counterclaims and denials, came to the conclusion that at least 115 people had died in the same 25-month period as a result of torture.

This figure included, he said, people who lost their lives as a result of hunger strikes, which generally went unreported because of the dampdown on the press. "Officials consider these to be natural deaths," he added.

Compiling this list was a difficult chore, he said, because there was misleading information from all sides. Some prisoners — mainly



Turkish women hold parasol against the sun.

political militants — aware of the propaganda value of allegations, systematically exaggerated, and officials either attempted to cover up or to minimize the incidents.

Under martial-law regulations, his findings on torture cannot be published. If they could be, they would contribute to bringing about needed reforms of the judiciary and penal systems, he said.

Noting that most of the deaths occurred during investigation — that is, before the defendants were sentenced and sent to penal institutions, the expert blamed many of them on police inefficiency.

"They [the police] are generally very badly educated and trained," he said, "and lack the simplest interrogation techniques. The only thing most of them know is to beat up a man or torture him until he talks, so that is what they do."

The horror stories, particularly the more inventive ones, were the hardest to prove, the expert said. But more troubling, another observer said, was the fact that Turkey had come to expect these stories and had become accustomed to the idea of torture within the system.

Earlier this year, a picture appeared in a leading Istanbul daily of columnist Ali Sirmen, a respected journalist who has been in jail for nearly a year in the pending trial against the Peace Association, a pacifist group accused of communism. The photograph showed Mr. Sirmen coming to court, leaning heavily on a cane, and the caption explained that he had hurt his leg playing basketball.

"A likely story," was the initial reaction within the intellectual community, many of whom were convinced that Mr. Sirmen had been tortured to the extent that he could not walk properly. A few

days later, they learned that Mr. Sirmen indeed was hurt playing basketball — nothing more.

But when Mr. Sirmen and his co-defendants appeared in another picture weeks later with their hair and mustaches shaved off, wearing prison fatigues — a treatment reserved for convicts — the public was almost unanimous in terming this another form of ill-treatment.

The effect of torture can be seen not only on those at the receiving end but also sometimes at the giving end as well.

"I beat people up," admitted an officer who had served on a security detail, "I knew he [the detainee] had done it. I saw him do it, but he wouldn't say he did it. I hit him twice and he admitted it. I hate myself for doing it and I hate the idea, but if I hadn't done it, I would have been in trouble with my superiors for having failed to get a confession."

The whole issue of torture has become part of popular culture, as humorist Muzaffer Işık wrote in a prize-winning short story called "The Man Who Was Best in the World at Being Beaten Up."

This story tells the tale of a civil servant who comes home one night to find his entire family in a panic because a neighborhood policeman has dropped in to ask the civil servant to stop by the police station the next day. The family spends the night advising the man on how to suffer the least through the expected third degree. They suggest that he be well-dressed, get a shave and a haircut, drink a little and swallow a few pills to take the edge off the pain. Finally, they beat him up themselves — a "dry run" to get him used to what will happen — and then decide to accompany him with the hope that he will not suf-

fer too much if witnesses are present.

The following day, the family members, who accompanied him to the police station, are beaten badly by police officers, but the man alone — thanks to his training — gets the praise of his torturers. On the way out several hours later — having discovered that he was asked to the station to pick up a letter — the civil servant is stopped by an inspector arriving on duty.

"Excuse me," the inspector politely asks, "but have you had your beating?" — Yes, I have, the man answers. "It's all right then," the policeman says. "You may go."

Some Turks will laugh at the idea of torture by pointing out that the most dreaded of Turkish tortures, the *falaka*, or beating on the soles of the feet, was a school punishment similar to caning in Britain until the first quarter of this century.

## CONTRIBUTORS

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## The Armenian Question

(Continued from Page 9S)

ings increased, and particularly after ASALA attacked in the Turkish capital, killing 10 people with hand grenades and machinegun fire at Ankara's airport last summer.

Still, most Turks continue to believe that the extremist groups do not speak for the majority of Armenians.

In Istanbul, an Armenian newspaper publisher said recently: "Until the first arrest, I truly did not believe that the killers could be Armenians."

He added: "If there is such a thing as an Armenian cause, this does not help it. Perhaps it helps the Greek cause, or the Kurdish cause or whatever cause someone who dislikes the Turks may have. But to us, it is harmful."

Some Armenians living outside Turkey actually believe that the murders are carried out by the Turks "to get rid of the Armenians still living in Turkey," as one of them explained recently in Paris. Turks say the charge is ludicrous, but symbolic of the enormous propaganda they have to combat.

Many Turkish officials today admit that they should have launched their own propaganda effort years ago, before uncounted claims — such as the figure of 1.5 million of the number of victims in 1915 — became accepted.

When the killings began, the Armenian question was considered closed.

After World War I, the British arrested and imprisoned in Malta leading figures of the Union and Progress Party, hyper-nationalists in charge of the Ottoman government before and during the war. They were the ones generally held responsible for the Armenian massacres. But British investigators, failing to prove premeditated mass murder, ruled that they had no basis for prosecution and freed them.

Most of the party's leaders later were killed in their European exiles by Armenian militants in the 1920s and 1930s, and the others were eliminated by the new leadership of the Turkish Republic founded in 1923.

Observers in Ankara say a younger generation of Armenians seeking their roots and, following the trend of the times, turning to violence, are being manipulated by outside powers to rekindle the issue. "But they choose to ignore," an academic in Ankara said, "that the people they are killing represent the forces that overthrew those originally responsible for their misfortunes."

The question remains as to what really happened in 1915 in eastern Turkey, as the Ottoman Empire was falling apart and its leaders were desperate to maintain its existence.

Spokesmen for both parties still indulge in accusations of "you started it first," and most writers and historians of the period are biased. But several elements appear to have played major parts in the events:

• The traditional dislike between the minority Christian Armenians in eastern Anatolia and the majority Moslem Kurds.

• The attempt by Armenian nationalists, with help from czarist Russia, to carve up a piece of the Ottoman Empire engaged on the losing side in a world war.

• And the last-ditch attempt of the Ottomans to deport large numbers of Armenians to the south, which was no safer due to the beginning British-instigated Arab revolt — to deprive the invading Russians of behind-the-lines support.

An independent chronicler, General Hassan Arfa, a former chief of staff of the Iranian Army, dealt briefly with the Armenian issue in a 1966 study on the Kurds. The Armenians, he wrote, "became imbued with hopes of independence, although they constituted at most 30 percent of the population of the Turkish eastern provinces in the region which used to be called Armenia by foreigners."

Writing about Armenian volunteers who were in the vanguard of the Russian Army when it invaded eastern Turkish provinces in 1914, General Arfa said: "These Armenian volunteers, in order to avenge their compatriots who had been massacred by the Kurds, committed all kinds of excesses, more than 600,000 Kurds having been killed between 1915 and 1918 in the eastern [provinces] of Turkey."

He continued: "More than 700,000 Armenians had been deported in 1915-16 to the southern Ottoman provinces...most of them dying from hunger or exposure or being killed by the Kurds and Arabs."

The Turks would tend to agree more with General Arfa's version than with the Armenian one. They also strongly disagree with the claim that 1.5 million died and, again, they put the blame on propaganda.

The Ankara-based and privately run Foreign Policy Institute claimed in a recent study that "the 1918 edition of the Encyclopedia Britannica said that 600,000 Armenians had been killed; in its 1968 edition this was raised to 1.5 million."

A little-known, U.S.-published book from 1896, written by American missionary Frederick D. Greene, gives a much lower figure. The book is not sympathetic to the Turks. It is called "Armenian Massacres or the Sword of Mohammed" and contains, according to its title page, "A complete and thrilling account of the terrible atrocities...by Mohammedan fanatics," followed by: "A full account of the Turkish people, their customs and strange religious beliefs."

Armenia, Mr. Greene explains, "is a large plateau, quadrangular in shape...about the size of Iowa...it contains about 600,000 Armenians, which is about one-fourth the number found in all Turkey."

It appears unlikely that the Armenian population of eastern Turkey could have increased to over two million in less than two decades, if 1.5 million — or 70 percent of the deportees, as Armenians today claim — died.

The Turks also deny that they traditionally grabbed Armenian lands, starting from the Turkish invasion of Anatolia in the 11th century. The Foreign Policy Institute says the Armenians never had a sovereign, independent state when the Turks began moving into Asia Minor. "In every case," the institute says, "the Armenians had previously been conquered by peoples other than the Turks."

Turkish officials today also claim, in their counter-propaganda offensive, often based on data gathered from Western and Armenian sources, that:

• Eastern Anatolia was probably the Armenians' original homeland;

• Turks did not traditionally massacre or attack Armenians; the Armenians allegedly sent by Istanbul ordered the massacre of Armenians in 1915 are clumsy forgeries.

But a few violent acts by ASALA probably did more to dampen popular support for the Armenians in the West, particularly in France.

The first two were the apparent random bombings of two popular Paris cafes, populated more by tourists than Turkish officials, students or workers living in France. The third was the attack on Ankara airport, in which the victims were non-Turkish tourists and Turkish emigrants waiting to go back to their jobs in Europe after summer holidays in their native land.

ASALA then remained silent for a while, but relaunched its activities following the execution in February of Levon Elmekjian, the ASALA militant captured during the attack.

A statement in December by ASALA warned people to stay away from Turkish representative offices throughout the world, which, it said, were "military targets."

Since then, ASALA has claimed responsibility for grenade and bomb attacks on a Turkish airlines office and a Turkish travel agency, both in Paris. A French woman died in the second incident, which ASALA said was carried out by its "Martyr Levon Elmekjian Commando."

## Agriculture: Development Efforts Begin to Achieve Results

(Continued from Page 12S)

quest of new markets for Turkey's food products, particularly in the Middle East, has led the value of agricultural exports to more than double in the same period.

Encouragement of agriculture serves two other significant long-term purposes. Despite efforts to check the birth rate, population growth is proceeding at about 2.1 percent a year, meaning that by the end of the century there will be at least 70 million mouths to feed in Turkey.

In addition, with 55 percent of Turkey's population of 46.3 million living in agricultural areas, 61 percent of the work force now makes its living from the fields. Further development of the sector could increase the low per capita agricul-

tural income while at the same time serving to stem the human tide leaving the countryside for the overcrowded cities.

With its rich soil, vast water resources and diverse climatic conditions that allow production as various as banana plantations and high plateau dry wheat farming, the potential of Turkish agriculture is generally recognized to be enormous. In recent years much of the growth in agriculture has been concentrated around Adana in the south and Izmir on the western coast.

Further development, particularly in the southeast, will depend on the realization of giant irrigation projects, which, because of limited financial resources, have been moving slowly.

At present Turkey has about four million hectares of irrigated land. When completed, probably by the end of the century, projects like the Ataturk dam on the Euphrates River in the southeast will bring an additional two million hectares under irrigation.

Initial financing difficulties due to Turkey's poor international credit rating have eased. Recently, in fact, foreign banking sources have been eager to provide credit facilities. The international finance corporation recently syndicated a \$250-million credit facility for top Turkish companies working abroad. Enka and Koutnas raised \$95.7 million from American Express in performance and advance payment guarantees for a major housing contract in Saudi Arabia

and Teksen Holding had little trouble winning a \$42.3 million guarantee from a consortium of American, Saudi Arabian and Turkish banks for a large desalination plant there.

According to Professor Ali Balaban, an irrigation expert who is dean of the faculty of agriculture at Ankara University, irrigation in the southeast could increase the value of production 10 or 15 times, as biannual harvests would be replaced by intensified Nile Delta-type farming with up to three crops a year. Mr. Balaban said that by the year 2020, another two million hectares will be irrigated, bringing the total irrigated area to eight million hectares. Another five million hectares potentially are able to be irrigated but will require costly

new infrastructure and services. Mr. Balaban said: "Turkey's agricultural development will ultimately depend on our ability to develop water resources amounting to as much as 100 billion cubic centimeters a year and the speed at which we spread technology to our farmers."

Meanwhile, according to Osman Tekinel, undersecretary at the Ministry of Agriculture, the government is stressing "a more effective use of our resources through improved technology and factors of production that will bring higher yields per unit and improved quality." Mr. Tekinel listed the following as some of the fields in which the government is concentrating its efforts:

• Seed production and distribution: seed production is being pushed on 23 state farms and by the private sector. Wheat seed production tripled in 1982 to 133,000 tons. To further improve yields, the government is importing high quality, high yield soya, wheat, rice, hybrid corn, cotton, carrots, eggplant and watermelon seeds, mostly from the United States, but also from Italy, France and Bulgaria.

• Fertilizer: fertilizer use in Turkey lags behind desired levels. Although consumption increased from 2.2 million tons in 1970 to 6.7 million tons in 1981, less than half

of cultivated land now is being correctly fertilized. The government has been encouraging domestic production so that imports have declined sharply.

• Insecticides: In 1982 almost twice as many wheat fields in the southeast were sprayed than the previous year and spraying elsewhere also increased.

• Mechanization: By the end of 1982 Turkish farmers owned 435,000 tractors. This represents an inadequate ratio to acreage and ought to be doubled, Mr. Tekinel said. Even more important, however, is to increase the tonnage of additional equipment per tractor. Farmers own only an average of three tons of additional equipment; against the desired ratio of 10 to one.

• The government has begun a project to grow second crops on irrigated cereal farmlands in the Aegean, Mediterranean and southeastern areas. Last June, 60,856 hectares were planted with soya, corn, or peanuts after the spring cereal harvest.

• Fallow land project: there are eight million hectares of fallow land each year and the government is seeking to encourage cultivation of 3.5 million to 4 million of these by 1992. In 1981, 120,000 hectares of fallow land were planted with wheat, which brought in \$190 million in 1981.

With the help of the World Bank, the government is seeking to increase meat and milk yields from its 87-million herd. Milk yield per cow is less than one-third that of Europe. To improve livestock production, programs of artificial insemination and of cross-breeding (the native eastern red cow will be crossed with halsstein and brown Swiss) have been initiated. Incentives are being offered to prevent the early slaughtering of lambs and a heavy vaccination program is designed to reduce the death toll from disease.

A key part of the government's efforts is the development of efficient technical services, which have lagged seriously. Mr. Tekinel said that the current planning envisages a countryside program — so far confined to six of Turkey's 67 provinces — of on-the-spot agricultural technicians. In irrigated areas each village would have its own technician. In dry farming areas there would be one for five villages and the technicians would attend weekly meetings with government experts to learn how to deal with farmers' problems.

— SARI GILBERT

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## Parties: Defining A Role

(Continued from Page 115)

cessor to look to as an example: Celal Bayar, 99, former president under the Democrat Party and himself toppled by a coup in 1960, remains a figurehead of the right. General Evren has complained about the absolute power wielded by party chairmen within their organizations, and the assembly has tried, with the new law, to put an end to one-man rule. "What we want to do," Prof. Aldikaci said, "is to enact legislation that will ensure intraparty democracy. We want to put an end to the dictatorship of a single undisputed party leader."

Some critics have said that this would tend to weaken the parties. "The idea," a Turkish political scientist said, "is in line with the constitution in that the new democracy will be based on a strong executive, but with a weak party system, and a powerful president." Trying to end the personality cult within political parties is only one of the difficult reforms the present administration would like to achieve. It also would like to put an end to the existence of the smaller parties, which, in the past, often held the balance of power and profited from crucial positions in coalition governments to gain influence beyond their true political strength.

Two former politicians, Alpaslan Turkes of the extreme rightist Nationalist Action Party — on trial for his life — and Necmettin Erbakan of the Islamic fundamentalist National Salvation Party, are two recent examples. Mr. Erbakan was sentenced to four years in jail late in February. Both men were regular fixtures in the series of coalitions that ruled Turkey before the coup. They helped convince the present rulers that coalitions were not made for a Turkish type of democracy. "Coalitions have never been successful in this country," said assembly member Halil Ibrahim Karal, a member of the constitutional committee and a university professor.

Former Ambassador Namik Kemal Yolcu, also an assembly member, said: "We would like to bring a system that will reduce the number of parties and prevent coalitions." The "weak parties" system will contribute to this, as will the organizational restrictions imposed by the new legislation. Any new party will have to have a branch in at least 34 of the country's 67 provinces, against 15 under the previous law. This is likely to be expensive; one expert calculated that forming a party now would cost about 2 billion Turkish lira — or about \$10 million. The Consultative Assembly recently modified the constitutional committee draft to include an article that foresees financial aid to political parties from the state treasury. There were no immediate details on how this would be done, however. The new law says that parties cannot accept donations from banks, labor unions, and professional or occupational associations and cooperatives — apparently a move to prevent potential pressure groups from donating money to the parties.

Although the parties' law is ready, political activities remain banned, as General Evren recently reminded would-be politicians in a stern statement. The elections are months away, and all new parties will have to start from scratch, find new cadres, because many former politicians are banned from politics; set up local organizations, because the parties may not be able to benefit from those of the old, disbanded parties; and find the necessary funds, without violating the new law's articles on financing. The new law, which is about to be put into final form by the National Security Council, bans civil servants, military personnel and students from joining political parties. The law states that party names may not include such adjectives as communist, fascist, anarchist, democratic or socialist, or the acronym. Parties also will not be able to claim to be the continuation of a disbanded party. Claiming such an affiliation had proved in some cases before the 1980 military intervention to be useful in getting votes. Such conservative politicians as Mr. Demirel, for example, said at that time that they were following in the path of the Democrat Party, which no longer existed but had large popular appeal. The law also prevents parties from signing up new members during the three-month span preceding elections.

Organizational difficulties aside, there is little doubt that the two main parties that existed before the coup will be revived one way or another. Almost everyone has a favorite to name as leader of one party or another and rumors abound. The most persistent one is about a theoretical third, "centrist" — or "Kemalist" — party, which will have the tacit backing of the army. Premier Ulu's name is mentioned in connection with this party.

But many observers believe that despite the popularity that the army and President Evren enjoy, it is almost inevitable that a centrist party eventually will go the way of its predecessors. One solution may be for the third party to exist as a perpetual coalition partner, calling the majority to order whenever the need arises and as a reminder of ever-present armed forces that determined to bring democracy to Turkey — even by suspending freedoms when the need arises.

—SINAN FISEK

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## SCIENCE

## Maneuverable Warheads Coming Up

By Philip M. Boffey

**WASHINGTON** — The United States is about to enter a new age of missile technology in which nuclear warheads will be designed to maneuver in flight, either to dodge enemy defenses or to home in on a target with unparalleled accuracy.

The first such maneuvering warheads are expected to be deployed on the Pershing-2 intermediate-range missiles, which are at the center of the U.S.-Soviet negotiations on medium-range missiles in Europe. The Reagan administration has offered to forgo plans to deploy 572 Pershing-2 and cruise missiles in Western Europe if the Russians dismantle 540 missiles in Eastern Europe and Asia.

If the new U.S. warheads work as well as their proponents expect — which is not yet certain — they will make the Pershing-2 the most accurate missile of its range ever produced. And research projects are under way to develop advanced maneuvering warheads for possible use on a range of intercontinental and submarine-launched missiles.

The implications of maneuvering warheads could be profound. Pinpoint accuracy could make them effective even against super-hardened targets such as Soviet command centers and missile silos. Small but highly accurate maneuvering warheads could be used to wipe out targets in congested areas, minimizing damage to the surroundings and making a supposedly "limited" nuclear war appear more feasible.

Eventually, long-range maneuvering warheads might be fired against moving targets, such as ships, planes or mobile missiles. And highly evasive warheads could nullify any ballistic missile defense system mounted by the Russians.

The prospects clearly have the Soviet Union worried. Soviet officials are said to have proposed a ban on maneuvering warheads as part of a package of arms control measures. But some U.S. experts, confident that the United States has a long lead in maneuvering warheads, are reluctant to yield the advantage.

The new weapons, which are generally described by the acronym MARV, for maneuvering re-entry vehicle, were considered by arms controllers and military technologists a decade ago as a potentially radical advance that would revolutionize warfare and make arms control much more difficult. The chief concern of arms controllers was the potentially high accuracy, which they feared might encourage one superpower to launch a surprise attack.

But technical events have, in a sense, overtaken MARV and made it slightly less fearsome, from the arms controllers' viewpoint. Advances in the guidance, control and design of conventional ballistic missiles have already made them more accurate than the additional accuracy expected with MARVs does not seem a revolution. For example, the much-debated, highly accurate MX missile would not, as now planned, carry a maneuvering warhead.

"MARV is basically bad from an arms control perspective," said Herbert Scoville Jr., president of the Arms Control Association and former deputy director of the CIA. "It's a step downhill in every respect and would make a bad situation worse. But accuracies are already to the point where MARV would be only a little bit worse, a little more dangerous."

"We hoped at one time to ban MARVs," said Richard Garwin, a longtime defense consultant, "but that doesn't seem feasible anymore because they're here. You don't need them for most purposes and they're not revolutionary. I don't see them as a particularly desirable technology or as particularly bad."

However, Robert C. Aldridge, a former aerospace engineer who helped design MARVs before turning Pentagon critic, warned that their increased accuracy makes them use all the more likely. "MARVs have been played down a lot lately," he said. "But they wouldn't put them on the Pershing-2 if they didn't have a purpose for it."

MARVs represent the third and latest stage in the development of technologies to deliver missile warheads.

In the first, the missiles flew a simple trajectory from launching point to target. Rockets would start the missile on the right trajectory before burning out. The remaining capsule, called a re-entry vehicle, would coast unguided through space and fall back down to enter the atmosphere over the target. Eventually, scientists learned to put several warheads on the same missile, but they still fell in the same general area.

In the second stage, engineers learned to put 10 or more warheads on one missile and aim each individually at different targets within a long, narrow "footprint" area. This is the so-called MIRV technology, for multiple independently targeted re-entry vehicle, and it has vastly multiplied the number of targets that can be destroyed by a given number of missile launchers.

But MIRV warheads, once released, cannot maneuver; they simply follow a ballistic trajectory.

They cannot make last-minute course changes to correct errors in the trajectory, caused by such factors as uneven melting of the warhead's surface as it enters the atmosphere, air turbulence, rain, sleet, miscalculation of geophysical effects or a host of small errors that have accumulated over the long flight.

So the United States has been trying, for at least 15 years, to add maneuverability to the warheads themselves.

One line of development has concentrated on evasive maneuvers to confuse defenses. No evasive maneuver yet studied, tested or envisioned can spot an enemy defensive missile and dodge around it; all simply follow programmed instructions to change course abruptly, making them difficult to intercept.

A variety of techniques can be used to maneuver the warhead, including internal weight shifting (much as a surfboard can be steered by shifting the surfer's body weight), movable flaps or fins, or small steering rockets. The warheads can be programmed to swerve off course and then back at specified altitudes, or they can follow continuous swerving paths.

All the swooping and swerving has a price, however. Early MARVs never quite got back on target; they

proved less accurate than conventional warheads. And although later versions have been more accurate, the guidance and control systems needed for maneuvering drive up their costs and reduce the weight of the warhead that can be used.

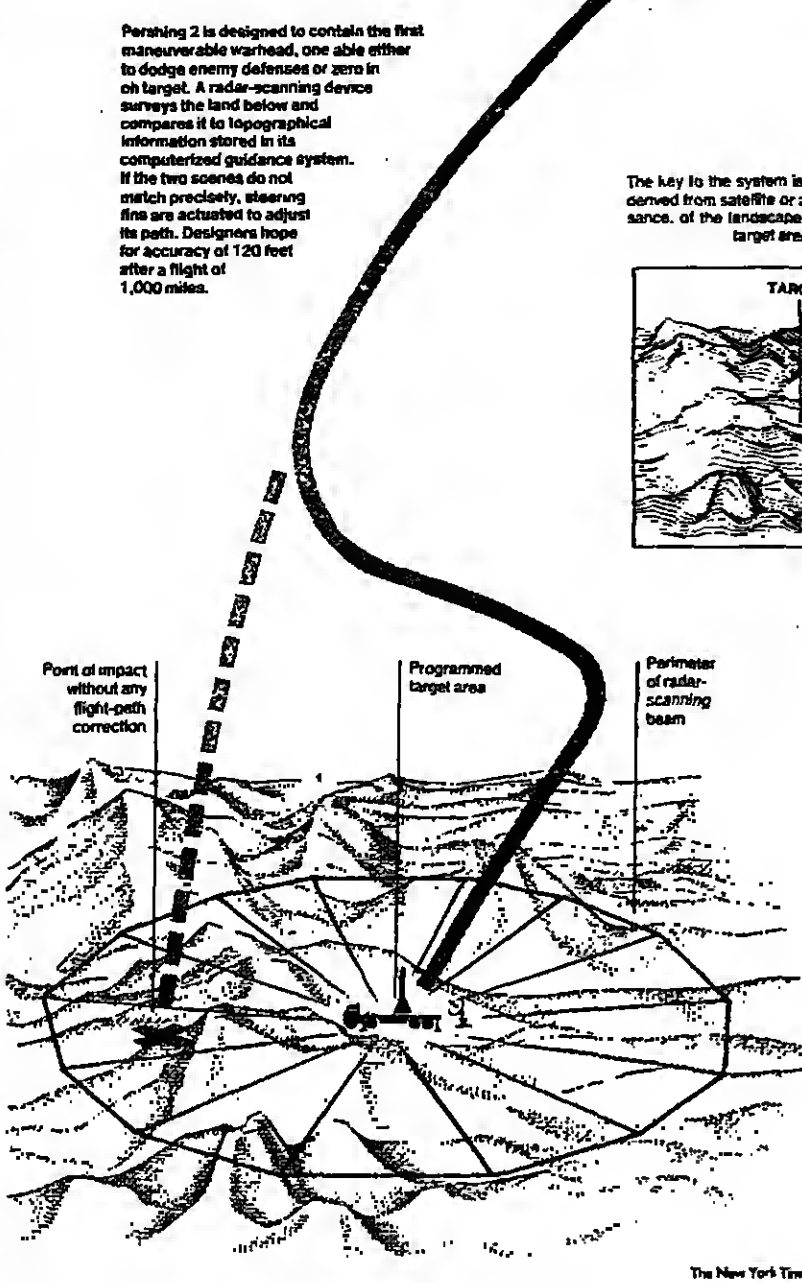
Advances in other technologies, notably "penetration aids" and decoys designed to fool defenses, have also delayed the need for evasive maneuvering. A decision on producing and deploying evasive MARVs will probably depend on whether the Soviet Union shows firm signs of deploying an extensive anti-ballistic missile defense system.

A second line of development has sought precision guidance techniques to zero in on the target with great accuracy, either by getting last-minute position "fixes" from satellites or the stars or by using radar or other sensors to identify the target or its surrounding terrain.

The first precision-guided MARV to operate will be the warhead on the Pershing-2, which slows down briefly and uses its radar to home in on its target. Its re-entry vehicle carries a reference map of the target area, generated from satellite photos, in its computer brain, and it compares this map with the radar pictures it sees on the way down.

The radar looks for prominent terrain features and often the target itself, and the guidance system then operates four fins to aim the warhead. In theory, according to a report by the Congressional Research Service, Pershing-2 warheads are expected to land within 20 to 40 meters of the target, at least 10 times closer than the most advanced version of the Pershing-1. But the system has not yet shown in tests that it can actually find a target on the ground and hit it.

The two lines of MARV development — evasion and precision guidance — have yet to merge effectively. Some experts believe a single warhead cannot do both.



The New York Times

## CURRENTS

## Insect Uses Bait to Catch Dinner

**FINCA LA SELVA, Costa Rica** — Elizabeth McMahon, a zoologist, has found what may be the first instance of an insect using bait to catch its dinner.

While watching termites repair a hole in their nest, she saw an "assassin bug," camouflaged with bits of the oest that it had glued to its using its glandular fluids, snatch one of the termites. It sucked the mite dry and, grasping the carcass with its forelegs, wiggled the body of the hole's edge until another worker emerged, set on retrieving the dead body, which would have served as a protein supplement to the termite's woody diet. Slowly the disguised assassin drew the dead termite back, luring the worker out of the hole. Then it grabbed the new victim. After three hours and 31 kills, the assassin bug stopped feeding.

Insects are known to disguise themselves to avoid predators or attract prey, but according to the animal behaviorist Benjamin Beck, "This combination of camouflage and baiting is unprecedented."

## California Protects Indian Graves

**SACRAMENTO, California** — A law went into effect Jan. 1 that gives California Indians power over skeletons and grave artifacts dug up in the state. The bill is the climax of a battle between the Indians and some California archaeologists over rights to such materials.

The new law protects from vandalism and disturbance all identified Indian cemeteries on private land. If other Indian graves are found, the landowner must notify the state Native American Heritage Commission, which in turn locates the most likely descendants. The descendants recommend what will be done with the remains.

The bill "has just about made the study of archaeology an illegal activity," said Clement Meighan, of the University of California at Los Angeles. Some archaeologists support the new law. "It's about time the Indians had control over their burial grounds," said Russell Kaldenberg of the Bureau of Land Management.

## Fighting the Hot-Tub Bacterium

**CHAPEL HILL, North Carolina** — By the time a dozen students came to him with painful skin rashes or ear infections, James McMahon, the University of North Carolina's student health-service physician, was suspicious. And when they all told him they had recently celebrated a basketball victory with a dip in a rented giant redwood hot tub, he notified the local health department.

The students, say the health officials, may represent the worst known outbreak of infections from a hot-tub-loving bacterium that began showing up in the late 1970s. Though all recovered, six of the students were treated with antibiotics and one was hospitalized. Orange County, North Carolina, became the latest of a growing number of communities to ban commercial use of rental of wooden hot tubs.

Called *Pseudomonas aeruginosa*, the bacterium lives in soil, human skin and intestines, and in standing water. It thrives at warm temperatures, multiplying every 30 minutes. The wooden hot tub is a particularly inviting habitat for the organism. It hides in the porous wood, re-emerging even after cleaning. Health officials suggest that private owners buy a vinyl liner for their wooden tubs.

## Triggering the Growth Hormone

**LA JOLLA, California** — Researchers at the Salk Institute have isolated and synthesized the substance believed to trigger the mass-produced by recombinant DNA techniques and is currently being tested on patients. Growth hormone releasing factor, say the Salk scientists, may be easier and cheaper to synthesize because it is smaller than the hormone. And because the chemical causes the release of the body's own growth hormone, they say, it may be preferable to the synthetic hormone.

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How do you know when a stock is overvalued? That's the question that's been on the minds of many investors in the wake of the recent market crash. The answer, say some analysts, is to look for signs of overvaluation. One way to do this is to look at the price-to-earnings ratio. If a stock's P/E ratio is significantly higher than the average for its industry, it may be overvalued. Another way to look for signs of overvaluation is to look at the dividend yield. If a stock's dividend yield is significantly lower than the average for its industry, it may be overvalued.

Another way to look for signs of overvaluation is to look at the book value of a stock. If a stock's book value is significantly higher than its market price, it may be overvalued. Finally, another way to look for signs of overvaluation is to look at the growth rate of a stock. If a stock's growth rate is significantly higher than the average for its industry, it may be overvalued.

These are just a few of the ways that analysts look for signs of overvaluation. By using these techniques, investors can make more informed decisions about whether a stock is a good investment.

Investors should also remember that overvaluation is not always a permanent condition. A stock that is overvalued today may become undervalued tomorrow. Therefore, investors should not panic if they find that a stock they own is overvalued.

Instead, investors should take a long-term view of their investments. By focusing on the long-term growth potential of a stock, investors can avoid the pitfalls of short-term speculation.

Finally, investors should remember that overvaluation is only one of the factors that should be considered when making an investment decision. Other factors, such as the company's financial health and the overall state of the economy, should also be taken into account.

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## WALL STREET WATCH

By EDWARD ROHRBACH

### Stock Analysts Use Many Means To Try to Foresee a Correction

How do you know when to run for cover and survive Wall Street's widely expected correction?

Ralph J. Acampora, chief technical analyst at Kidder Peabody, cited three consecutive days of 1,000 or more declines among Big Board stocks as signaling the bull market's first major pullback.

"It's like a bull sitting on the edge of a cliff, and that's what would push it off," he warned.

Despite the market's wild gyrations since mid-October, he noted there have not been three days in a row with 1,000 declining stocks, though twice two such negative back-to-back trading days occurred, once in mid-November and again in late January.

Mr. Acampora said, however, that he believes the first major correction will come from a higher level on the Dow Jones industrial average — 1,175 to 1,200.

"How we get there will tell how severe the correction will be," he said. "An orderly move to that level should mean a loss of no more than 30 to 75 points. A steep runup in an emotional market would set the stage for a big retreat, 100 to 150 points."

Mr. Acampora emphasized, however, this is all to be seen in the context of a strong bull market. In fact, he underscored that Kidder Peabody's newest recommendation list is entitled "Stocks to Own Before, During and After Any Market Correction."

The dozen are: Bristol-Myers, Chase Manhattan, Clorox, Control Data, General Electric, IBM, Illinois Power, Johnson & Johnson, J.P. Morgan, Pfizer, Pioneer Corp., and Waste Management.

"Blue chips, drugs and consumer stocks led the market off the August lows," he recalled. "Then they corrected several months while the rally broadened to secondary issues, but quality stocks are picking up now and should lead the pack again."

Newton D. Zinder, E.F. Hutton's chief technical analyst, noted two studies that show the seven-month bull market might be flirting with its first major correction.

**Blue chips, drugs and consumer stocks are picking up now and should lead the pack.**

### Question of Percentages

The advance off the May 1970 bear market low of 631 on the Dow-Jones average carried to 951 in April 1971, or 50.7 percent, before there was a significant correction. Secondly, he said, the advance off the December 1974 low of 578 that carried to 882, or 52.6 percent, to July 1975 before meeting an important resistance.

A 50.7 percent advance above the 777 low of last August would carry to 1,171, while a 52.6 percent advance would carry to 1,186, Mr. Zinder calculated.

Cordula Pawlik, analyst for U.S. investments at Düsseldorf's Trinkaus & Burkhard, one of West Germany's largest private banks, sees strong support underpinning Wall Street's advance.

"Everybody's expecting a correction and waiting to buy when a decline occurs, so it won't be deep," she said. "My charts show any pullback meeting resistance at 1,100, and if that doesn't hold, 1,070."

Mrs. Pawlik favors auto stocks, principally General Motors, in a U.S. economic recovery she predicts will be stronger than generally expected. "There's a pent-up demand for cars," she said, "and the July tax cut will give consumers more money to spend."

Mining stocks are her second choice, notably Newmont and Asarco. She sees the recovery beginning to spur metals sales later this year, and to 1984, with prices generally on the rise again, attention will focus on these stocks as an inflation hedge.

Falling oil prices bode well for airline and railroad issues, she said. Piedmont and Delta are her recommendations in the former group, with Piedmont Northern and CSX the top rail picks.

Drexel Burnham has upgraded BankAmerica and Wells Fargo, two retail-oriented banks, to its priority buy list. At the same time stock ratings on Citicorp and Bankers Trust have been reduced. This reverses a five-year recommendation emphasis by the firm on wholesale-oriented bank holding companies.

### Banking on Changes

"We expect the new money-market deposit account to have a significant positive effect on the rates of growth of deposit-taking and of lending — as well as operating results — of domestic, retail-based banks," said Lawrence Fuller, the firm's bank analyst.

John Hidelong, A.G. Becker's research director, said he expects the new prospective reimbursement plan of hospital costs under Medicare, now before Congress, to act as a catalyst for the sluggish hospital management stocks as its enactment becomes sure.

He favors Humana, Hospital Corp. of America, National Medical Enterprises and American Medical International among the large companies, which he described now as "digesting their excellent stock market performance of 1982." For more speculative investors, he said GreatWest Hospitals, under the cloud recently of legal battles resulting from a merger, should enjoy sharply higher earnings this year and report "the industry's best results" for fiscal 1984.

Thomson McKimmon and Smith Barney both have issued new recommendations on Republic Airlines. Oppenheimer likes USAir, predicting 1983 earnings up between \$1 and \$2 a share from 1982's \$2.88.

International Herald Tribune

## CURRENCY RATES

Interbank exchange rates for March 9, excluding bank service charges.

	Amst.	Brussels	Frankf.	London	Paris	New York	Zurich	1 Euro	1 SDR
D.M.	2.495	4.012	110.79	35.85	0.1872	—	5.614	1.2941	36.885
£	47.50	71.46	19.7053	6.912	3.2245	17.807	23.045	5.475	—
FF	2.401	3.615	26.10	1.653	90.29	5.874	11.615	77.70	—
Yen	1.932	—	3.4142	10.326	21.4240	4.006	71.345	2.0958	13.022
Scd	1.42705	2.14446	59.40	208.48	—	234.91	30.548	69.222	164.49
Swf	1.480	1.5071	0.414	0.1459	0.07	0.3733	0.0211	0.4853	8.115
DKr	4.85	10.315	28.43	—	4.8025	29.97	14.4325	32.87	78.95
ITL	2.0357	2.0918	85.61	30.09	0.1443	77.285	4.3215	—	23.715
ESP	0.649	0.6276	2.232	4.6455	1.3469	2.5148	46.796	1.9401	8.1942
1 SDR	1.0886	0.7347	2.6274	7.4519	1.55343	2.956	57.774	2.2411	74.998

### Dollar Values

	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.
1 Euro	1.480	1.5071	0.414	0.1459	0.07	0.3733	0.0211	0.4853	8.115
1 SDR	1.0886	0.7347	2.6274	7.4519	1.55343	2.956	57.774	2.2411	74.998

## INTEREST RATES

Eurocurrency Deposits March 9

	1M	3M	6M	1Y	2Y	3Y	5Y	10Y	30Y
1M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
3M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
6M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
1Y	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4

### Key Money Rates

	Close	Prev.	Close	Prev.	Close	Prev.	Close	Prev.	Close	Prev.
Discount Rate	0%	0%	Bank Rate	11%	11%	11%	11%	11%	11%	11%
Federal Funds	7 1/2	7 1/2	Call Money	11	11	11	11	11	11	11
Prime Rate	10 1/2	10 1/2	90-day Treasury Bill	10 1/2	10 1/2	10 1/2	10 1/2	10 1/2	10 1/2	10 1/2
Broker Loan Rate	10 1/2	10 1/2	3-month Treasury Bill	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Comm. Paper, 30-179 days	8 1/2	8 1/2	6-month Treasury Bill	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2
3-month Treasury Bill	8 1/2	8 1/2	9-month Treasury Bill	13 1/2	13 1/2	13 1/2	13 1/2	13 1/2	13 1/2	13 1/2
6-month Treasury Bill	8 1/2	8 1/2	1-year Treasury Bill	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2
CD 30-99 days	8 1/2	8 1/2	1-year CD	15 1/2	15 1/2	15 1/2	15 1/2	15 1/2	15 1/2	15 1/2
CD 90-99 days	8 1/2	8 1/2	2-year CD	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2

### West Germany

	Close	Prev.	Close	Prev.	Close	Prev.	Close	Prev.	Close	Prev.
Overnight Rate	5.50	5.50	1-month Interbank	5.50	5.50	3-month Interbank	5.50	5.50	6-month Interbank	5.50

### Japan

	Close	Prev.	Close	Prev.	Close	Prev.	Close	Prev.	Close	Prev.
Discount Rate	5 1/2	5 1/2	Call Money	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2
30-day Interbank	6 1/2	6 1/2	90-day Interbank	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2

Sources: Commercial Bank of Tokyo, Daiwa Bank, Sanwa Bank, Tokai-Mitsubishi Bank, Industrial Bank of Japan, Sanwa Bank, Sanwa Bank, Sanwa Bank.

### GOLD PRICES

	A.M.	P.M.	C.M.	C.M.	C.M.	C.M.	C.M.	C.M.	C.M.	C.M.
London	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
New York	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Paris	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Zurich	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Frankfurt	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Stockholm	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Oslo	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Copenhagen	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Helsinki	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Tallinn	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Riga	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Vilnius	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Kiev	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
Moscow	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50
U.S. dollars per ounce	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50	421.50

## World Bank Faces Problem Projects

By Clyde H. Farnsworth

WASHINGTON — In West Africa, near limestone quarries in southeastern Togo, the World Bank pumped \$60 million in the 1970s into a plant that bakes "clinkers." These bricks of limestone are then crushed and mixed with gypsum to produce cement.

The plant drew a further \$20 million in loans from other institutions, including the European Development Bank. The plant was conceived as a bold undertaking that in one stroke would meet construction needs, increase exports and raise living standards in Togo and its neighbors, Ghana and the Ivory Coast. It is known as the Cimao project, after Ciments de l'Afrique de l'Ouest, the managing organization of the three co-owning countries.

Today the operation is one of a growing number classified by the World Bank as subject to "major problems."

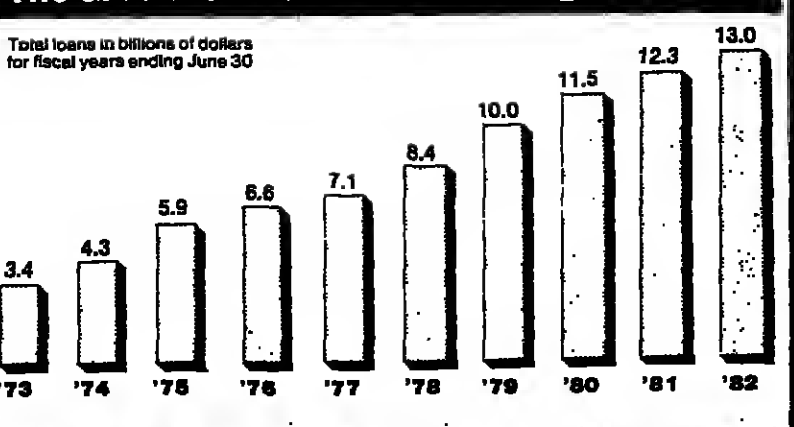
From 1980 to 1982, according to internal bank documents, projects with problems increased to 12 percent, from 9 percent, of the total of 1,800 that are now being undertaken. A bank official who asked not to be identified said the historical average had been about 8 to 9 percent.

Analysis said the increase was mainly the result of a new economic environment. Severe inflation and the shortages of many critical materials that characterized much of the last decade have given way to global recession and, at least for the time being, plentiful supplies of just about everything. The changing conditions have tarnished the appeal of many projects planned in the earlier era.

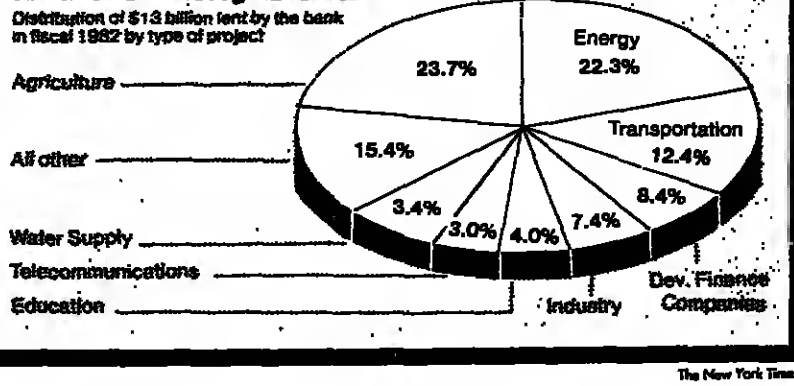
"Lending programs of the bank, as do all

(Continued on Page 19, Col. 3)

### The Growth in World Bank Lending



### How the Money is Used



## Regan Gloomy on Full IDA Funding

By Hobart Rowen

WASHINGTON Post Service

WASHINGTON — Treasury Secretary Donald T. Regan has conceded that there is little likelihood that Congress will appropriate all of the \$1.34 billion that the administration is asking to finance the U.S. contribution to the World Bank's soft-loan operation, the International Development Association.

After testifying Wednesday at a hearing of a subcommittee of the Senate Appropriations Committee in which he urged Congress, in the strongest possible language, to honor the commitment it had made to provide the money to the IDA, Mr. Regan told reporters: "I'm afraid the whole appropriation is in trouble, dammit."

The subcommittee chairman, Senator Robert W. Kasten Jr., Republican of Wisconsin, said at the start of the hearing that Congress was much more concerned with the request to expand the resources of the International Monetary Fund, because of the international banking and economic crisis.

Failure of Congress to come through with the full \$1.34 billion would be devastating to the IDA, Mr. Regan said. It would also raise again the question of U.S. willingness and ability to live up to its international commitments, he said. Presumably, if Congress approved only part of the money, it would be stretching out to at least five years what started as a three-year program.

All told, Mr. Regan said, \$1.6 billion is needed in budget author-

ity and \$2.8 billion in callable capital requests for subscriptions and contributions to the multilateral development banks — the World Bank group, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.

He told Mr. Kasten that if the Asian Development Bank expelled Taiwan to seat China, which has applied for admission to the bank, the United States would "have to take a second look" at whether it would continue to help finance the bank.

Mr. Regan said that "there could be ways of accommodating" membership for both Taiwan and China. He agreed with Mr. Kasten that there was no compelling reason for the bank to follow a "one-China" policy as the United Nations did.

Mr. Regan's administration's \$1.34-billion request to complete

what is known as the IDA-6 replenishment consists of \$245 million as a supplemental appropriation for fiscal 1983 and \$1,095 billion for fiscal 1984, to complete a \$3.2-billion commitment that was supposed to end in fiscal 1983.

But as Mr. Regan pointed out Wednesday, "U.S. contributions have been far short of this expectation because our contributions were subsequently stretched over four years." Congress appropriated only \$500 million to fiscal 1981, and \$700 million a year each in fiscal 1982 and 1983.

After bitter debate, the other donor nations took up some of the slack by releasing their 1982 and 1983 installments to full to the IDA, and last year agreed on a \$2-billion emergency package — in which the U.S. is not participating — to sustain at least a \$2-billion lending rate for fiscal 1984.

## Receiver for AEG Says Settlement On Debt Assured

Compiled by Our Staff From Dispatches

FRANKFURT — The court-appointed receiver for AEG-Telefunken told a meeting of creditors that the company's plan for a debt settlement has been virtually completed, signaling an impressive turnaround in the fortunes of the giant electrical-goods manufacturer.

The receiver, Wilhelm Schaaf, said that written acceptances to the plan, under which AEG intends to write off 60 percent of its debts, meant it should be agreed on quickly. He said acceptances have been received for 98.8 percent of AEG's liabilities and from 99.5 percent of its creditors.

Under West German bankruptcy law, half the number of creditors representing 80 percent of the liabilities have to agree for the reorganization of the company to succeed.

The debt settlement will mark a major success for the program of drastic retrenchment initiated by AEG, whose slide into court-supervised reorganization last year jolted the banking community and financial markets. Helped by government financial support, AEG has pared away numerous unprofitable operations and made deep reductions in its workforce.

After the meeting, Heinz Dürr, the managing board chairman of AEG, said the huge group will make no operating loss this year. Business has improved to the extent that AEG can make full pension contributions this year and still achieve a balanced operating result, he said.

AEG posted losses on operations of 980 million Deutsche marks (\$408 million) in 1982. Company sources said last week a new forecast showed an end to operating losses this year and a return to profits for 1984.

Mr. Dürr, however, declined to elaborate on the longer term outlook. Earlier, he had told creditors that AEG is now in a financial position to fulfill terms of its court-supervised debt-settlement proceedings and continue as a viable company.

"With the agreement of creditors to the debt settlement, the future of AEG is assured," he said.

One sign of the improvement at AEG is seen in productivity gains, Mr. Dürr said. In 1984, group turnover of about 14 billion DM will be



Heinz Dürr

produced by a workforce of only 82,000. In 1979, when AEG posted a loss of 968 million DM, similar turnover was produced by a workforce of 158,000.

AEG needs no additional sales of major shareholdings to finance its debt settlement, he said.

General Electric Co. of Britain has been mentioned in some press articles as still having an active interest in buying into parts of AEG's capital goods businesses.



Dow Jones Averages

	Open	Previous	Low	High	Close
30 Ind	1141.56	1141.56	1137.50	1145.00	1145.00
500 Ind	2582.74	2582.74	2575.00	2590.00	2590.00
900 Ind	4514.40	4514.40	4505.00	4520.00	4520.00

Standard & Poors Index

	Open	Previous	Low	High	Close
Composite	154.85	154.85	154.50	155.00	155.00
Industrial	172.80	172.80	172.50	173.00	173.00
Utilities	42.30	42.30	42.20	42.40	42.40
Financial	16.20	16.20	16.10	16.30	16.30
Transp.	26.90	26.90	26.80	27.00	27.00

Odd-Lot Trading in N.Y.

	Buy	Sell	Short	Commiss
Mar. 1	220.32	220.32	220.32	220.32
Mar. 2	220.32	220.32	220.32	220.32
Mar. 3	220.32	220.32	220.32	220.32
Mar. 4	220.32	220.32	220.32	220.32
Mar. 5	220.32	220.32	220.32	220.32

Market Summary, March 9

Market Diaries

	Open	Previous	Low	High	Close
NYSE	1141.56	1141.56	1137.50	1145.00	1145.00
AMEX	2582.74	2582.74	2575.00	2590.00	2590.00

AMEX Stock Index

	Open	Previous	Low	High	Close
AMEX	2582.74	2582.74	2575.00	2590.00	2590.00

NASDAQ Index

	Open	Previous	Low	High	Close
NASDAQ	154.85	154.85	154.50	155.00	155.00

Dow Jones Bond Averages

	Open	Previous	Low	High	Close
Bond	114.56	114.56	114.50	114.60	114.60

NYSE Index

	Open	Previous	Low	High	Close
NYSE	1141.56	1141.56	1137.50	1145.00	1145.00

NYSE Previous Actives

	Open	Previous	Low	High	Close
NYSE	1141.56	1141.56	1137.50	1145.00	1145.00

NYSE Previous Actives

	Open	Previous	Low	High	Close
NYSE	1141.56	1141.56	1137.50	1145.00	1145.00

12 Month	High	Low	Stock Div.	Yld.	P/E	100s	High	Low	Close	Open
12 Month	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56

Bonn Aides See No Shift in EMS

Bonn — Two West German officials dismissed Wednesday reports that the European Monetary System would be realigned soon. The weakness of several currencies, particularly the French and Belgian francs, and a stronger Deutsche mark following the general election victory of conservative Chancellor Kohl have severely strained the system this week. The EMS limits the extent to which eight European Community nations' currencies can rise or fall against each other.

There has been speculation on foreign exchange markets that the situation cannot go on much longer, that there will have to be a devaluation of the weaker currencies and an upward revaluation of the mark.

France is believed to hope that Bonn will initiate a revaluation so that France will not have to act to devalue the franc.

After a West German cabinet meeting Wednesday, a government spokesman, Dieter Stolte, said in response to reporters' questions that Bonn did not plan any initiative toward a revaluation and that no contacts on the subject were envisaged with other EC members.

In an interview with the newspaper Le Monde in Paris, Alois Mertens, minister of state at the West German Foreign Ministry, went further. He said categorically that there was no question of a realignment now. Financial cooperation between France and West Germany should be pursued as far as possible, he said.

The two men's remarks reflected Bonn's concern that a revaluation of the mark would damage economic recovery by making exports less competitive, economic analysts said.

"The times are over when we can be proud of a revaluation of the mark," said a bank economist in Frankfurt. "There is just too much unemployment." More than 2.5 million people are without work in West Germany.

Mr. Stolte said he expected the issue to be raised at the EC summit in Brussels later this month.

For the fifth time in six days, the Bundesbank bought Belgian francs Wednesday on the exchange market to keep the currency from sinking beneath its EMS floor. Central banks are committed to such interventions to maintain the EMS limits. Belgium raised its key discount leading rate Tuesday from 11.5 percent to 14 percent in an effort to stop speculation.

Dealers said pressure lifted from the French franc Wednesday following a steep rise in French short-term deposit rates, which deterred speculators. The currency closed at 6.85 to the dollar.

In London, the pound, under pressure because of the prospect of lower oil prices, fell at the start of trading to a six-year low against other major currencies on a trade-weighted index, but finished generally stronger after Saudi Arabia's oil minister, Sheikh Ahmed Zaki Yamani, predicted an OPEC price and production agreement soon.

The pound finished London trading at \$1.502, after falling below \$1.50 Tuesday in New York. Dealers said the dollar in Europe closed little changed from Tuesday after slipping in afternoon trading. Earlier it rose on the possibility of higher U.S. interest rates.

COMPANY EARNINGS

Revenue and profit, in millions, are in local currencies unless otherwise indicated.

Austria	Revenue	Profit
Consolidated Gold	1981	1981
Revenue	1981	1981
Profit	1981	1981

Britain	Revenue	Profit
Consolidated Gold	1981	1981
Revenue	1981	1981
Profit	1981	1981

Canada	Revenue	Profit
Bank of Montreal	1981	1981
Revenue	1981	1981
Profit	1981	1981

France	Revenue	Profit
Domestic Petroleum	1981	1981
Revenue	1981	1981
Profit	1981	1981

Germany	Revenue	Profit
Nippon Denso	1981	1981
Revenue	1981	1981
Profit	1981	1981

Japan	Revenue	Profit
Nippon Denso	1981	1981
Revenue	1981	1981
Profit	1981	1981

Netherlands	Revenue	Profit
Philips Gloe	1981	1981
Revenue	1981	1981
Profit	1981	1981

Sweden	Revenue	Profit
Fortia	1981	1981
Revenue	1981	1981
Profit	1981	1981

Switzerland	Revenue	Profit
International T & T	1981	1981
Revenue	1981	1981
Profit	1981	1981

United States	Revenue	Profit
American Stores	1981	1981
Revenue	1981	1981
Profit	1981	1981

West Germany	Revenue	Profit
Domestic Petroleum	1981	1981
Revenue	1981	1981
Profit	1981	1981

Other	Revenue	Profit
Domestic Petroleum	1981	1981
Revenue	1981	1981
Profit	1981	1981

Wednesday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

12 Month	High	Low	Stock Div.	Yld.	P/E	100s	High	Low	Close	Open
12 Month	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56

12 Month	High	Low	Stock Div.	Yld.	P/E	100s	High	Low	Close	Open
12 Month	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56

12 Month	High	Low	Stock Div.	Yld.	P/E	100s	High	Low	Close	Open
12 Month	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56	1137.50	1145.00	1141.56

DISNEY BECOMES TO GET LOAN

NEW YORK (AP) — Walt Disney Co. announced Wednesday that it had secured a \$100 million loan from a group of banks to help finance the construction of a new theme park in California.

Argentine Share

BRUNO (Reuters) — Argentine share prices fell sharply Wednesday on news that the government was considering a new tax on foreign investments.

British Surplus

LONDON (Reuters) — The British government announced Wednesday that it had achieved a surplus in the trade account for the first time in three years.

Hong Kong S

HONG KONG (Reuters) — Hong Kong share prices rose Wednesday on news that the government was considering a new tax on foreign investments.

Opel, Others

GENEVA (Reuters) — Opel and other German car manufacturers are expected to announce new models in the near future.

Company Not

CHICAGO (Reuters) — A company not named has filed a lawsuit against another company not named.

Another Important Business Statistic

65%

the percentage of International Herald Tribune readers holding management positions



## BUSINESS BRIEFS

## Disney Becomes First U.S. Firm To Get Loan From Japan Banks

TOKYO (LAT)—Walt Disney Productions, already guaranteed royalties from more than two million tickets sold in advance of Tokyo Disneyland's April 15 opening, Wednesday became the first U.S. company to receive a Japanese bank loan.

Ronald W. Miller, president and chief executive officer, said the loan in the amount of 15 billion yen (\$65 million)—was provided by a syndicate of 12 Japanese banks and insurance companies headed by the Industrial Bank of Japan. Five U.S. banks with branches in Japan were the syndicate.

Although U.S. companies have raised funds in yen in Japan's finance market before, the borrowings have always taken the form of bonds. The recent set by the bank loan, which is to be signed Thursday, was considered potentially significant as a sign of an opening of the Japanese financial market to foreign companies.

## Geneen to Leave Board of ITT

NEW YORK (NYT)—Harold Geneen has announced that he will not seek re-election to the board of International Telephone and Telegraph. Mr. Geneen, 73, built ITT into a huge worldwide conglomerate as chief executive from 1959 to 1980.

"Mr. Geneen has left an indelible mark on ITT as well as the business world in general," said V. Araskog, the current chairman, president and chief executive, in a letter to shareholders.

Mr. Geneen has remained active in business, tending to his own investments and participating in investment groups that have bought several companies.



Harold S. Geneen

## Argentina Short-Term Debt Plan

BUENOS AIRES (Reuters)—Argentina will refinance over three years \$1.4 billion in short-term external debt falling due in the next few weeks, the central bank president, Julio Gonzalez del Solar, was reported saying Wednesday.

On Monday, the central bank suspended indefinitely the repayment of 11 short-term foreign loans taken out in the form of currency swaps, and said that new regulations for their management would be issued shortly. In such swaps the borrower sells his foreign currency to the central bank and buys it back at a fixed exchange rate when the loan matures.

Several newspapers reported Wednesday that Mr. Gonzalez del Solar said in a radio interview Tuesday that the swaps would be refinanced over 36 months and would be repaid in six-monthly installments after an initial 18-month grace period. Foreign bankers described the move as a top-gear measure pending new banking regulations.

## British Surplus Up in Quarter

LONDON (Reuters)—Britain's current account surplus rose to £1.71 billion (\$2.6 billion) in the fourth quarter of 1982 from a surplus of £347 million in the third quarter, the Treasury said Wednesday.

For 1982 as a whole, the current account surplus was £3.9 billion, down from £6 billion the previous year. The 1982 figures include a £2.2 billion trade surplus and a surplus of £1.7 billion from services, such as earnings from overseas investments, banking, insurance and shipping.

## Hong Kong Sets Probe of EDA

HONG KONG (Reuters)—The Hong Kong Securities Commission Wednesday appointed two inspectors to investigate the affairs of EDA Investments following a recent high court order issued to close down the company.

Financial Secretary John Bremridge announced and welcomed the appointment, saying it was consistent with the implementation of the regulatory steps in the financial sectors foreshadowed in his recent budget speech.

## Opel, Others Hope for Sales Rise

GENEVA (Reuters)—Adam Opel AG and the other General Motors national companies in Europe aim to increase sales to 1.1 million cars in 1983 from 955,234 last year, Opel's chairman, Ferdinand Beickler, said Wednesday at a news conference on the eve of the Geneva Motor Show.

Mr. Beickler expressed confidence that Opel would end the year in profit, as in 1982. He said that he expected the overall car market in Europe to continue to stagnate in 1983, but that the GM companies hoped to raise their market share in Europe.

## Company Notes

Citicorp filed a shelf registration with the Securities and Exchange Commission for as much as \$2 billion in new debt.

AB Fortia-Pharmacia of Sweden proposed a five-for-three stock dividend.

BSR announced a one-for-three rights issue to raise £20.2 million (\$30 million).

## Refiners in Singapore Act To Survive Output Decline

By Dinah Lee

SINGAPORE—Refiners in Singapore are bracing for a sharp contraction in their business as other countries in the region install more capacity.

Mobil Oil of Singapore Wednesday became the second refiner to respond to the competitive challenge. It awarded a \$50 million contract to Chiyoda Chemical Engineering Co. of Japan for work designed to make Mobil's refining operations more efficient.

Mobil said the changes are expected to save the company \$28 million to \$31 million annually.

Refiners are being forced to take measures this year to offset an anticipated one-third loss of Singapore's refining business by the end of 1984. Singapore is the third-largest refining center in the world after Houston and Rotterdam, with a rated capacity of 1.1 million barrels a day.

The loss of business to the refining industry here, which accounts for almost 40 percent of manufacturing output, is the result of new refining capacity that will begin operating in Indonesia this year and later Malaysia and Thailand. About 30 to 40 percent of Singapore's activity has been third-party processing, mostly under contract to Indonesia's state oil company, Pertamina.

Dorsey Dunn, chairman of Mobil Oil Singapore, dismissed suggestions that the oil companies have been slow to respond, saying: "We've known about the Pertamina development for five years. We weren't caught off guard at all."

Mr. Dunn estimated that while the Singapore refining industry had been working at about 80 percent capacity in 1982, he foresaw a drop in output to 50 to 60 percent by 1984, or close to the point where the facilities would no longer be profitable.

The Mobil announcement follows last month's decision by Shell Oil to cut its local refining capacity by half, reducing Singapore's total production 20 percent, or 210,000 barrels a day. At that time, Dick van Hilten, managing director of Shell Eastern Petroleum, said that recent expansions of capacity by Indonesia showed that nation's determination to refine more of its own oil.

He noted that additions to Indonesia's Cipang and Balikpapan refineries have boosted total capacity by 400,000 barrels a day.

Mr. van Hilten also mentioned the threat of Middle Eastern refineries now under construction that competing with Singapore as exporters of petroleum products starting this year. "Singapore's refining capacity is too big for the future," he said. "Shell is working

toward a core concept of around 250,000 barrels a day with a high degree of conversion, a low yield of fuel oil."

Most of the refiners' attention here is now directed at the market for "white products," or middle distillates such as kerosene, diesel and gasoline, which is predicted to grow by about 4 percent a year while regional demand for fuel remains constant or falls slightly.

The other three refiners in Singapore are Esso, British Petroleum, and Singapore Refining Corp. (a joint venture between the Singapore government, BP and Caltex). Esso Singapore has said it is concentrating on improving wharfing facilities, while BP is expanding its investment in energy savings through the SRC.

Mr. Dunn said Wednesday that his company was unaffected by Pertamina's decision to switch from cash payments to a barter arrangement with the Singapore refiners. He said that for the past nine years, Mobil had accepted raw Indonesian crude in payment for refining services but that recently the Indonesians had indicated the price would go up. Other refiners have reacted negatively to the Pertamina decision, which means they are asked to accept Indonesia's Sumatra light crude or low sulphur oil, both unattractive choices to the local refining industry.

## EC Lowers Expectations For Growth

By Philip Stephens

BRUSSELS—The European Community can expect economic growth of only 0.4 percent this year, the EC Executive Commission said Wednesday, sharply scaling down the 1.1 percent forecast of last October.

Weaker trends in private consumption, near-stagnation of real incomes and declining fixed investment had been carried over from 1982 into 1983, dashing any possibility of a quick emergence from recession, it said in its latest economic report.

But it said a slow recovery in economic activity was likely in the second half of the year and a steep fall in oil prices could stimulate faster growth than the predicted 0.4 percent.

The report said the continuing economic slump was likely to push up the number of jobless in the 10 member nations to an average of 12 million or 10.6 percent of the labor force in 1983, compared with the 11 million or 9.6 percent in 1982.

It said the commission had lowered its estimate of the growth of the community's real gross domestic product following a further slump in economic activity during the second half of 1982.

The overall result for the community's GDP in 1982 is expected to be virtual stagnation... plus 0.2 percent compared to plus 0.3 percent predicted last October, it said.

Economists here said the gloomy outlook is partially tempered by the prospect of a steep fall in oil prices and signs the United States may be pulling out of recession at last.

The report said Britain and Ireland are likely to have the highest growth rates in 1983, with real GDP rising by 1.5 percent.

Among countries expected to register growth, France's GDP is forecast to rise by 0.8 percent and the Netherlands' by 0.1 percent.

Prospects of a faster increase in economic activity in the second half of 1983 hinge on the expectation of a pick up in investment, which is expected to rise at an annual 2.7 percent.

The report also forecast inflation will continue to drop during the year, with the private consumption deflator (the most accurate gauge of price rises), falling nearly 2 percentage points, to 8.6 percent.

Other encouraging elements in the overall forecast are a fall in the EC's balance of payments deficit to 0.3 percent of GDP this year from 0.5 percent in 1982, and a slowdown in wage increases to 8.5 percent from 10.5 percent.

## Ex-Im Bank Faces Big Loss on Loans

By Stuart Auerbach

WASHINGTON—The U.S. Export-Import Bank will pay out \$354 million this year to cover bad loans it guaranteed to private companies in debt-ridden Third World countries, especially Mexico, the Ex-Im Bank president, William H. Draper III, told a Senate subcommittee.

The amount is far more than the bank's usual losses on guaranteed loans, which must be made up from the U.S. Treasury. Until 1982, losses to be made up averaged about \$20 million a year. Losses for 1982 may jump to \$57.7 million because of a write-off on DC10 aircraft purchased for Freddie Laker's defunct airline.

But Mr. Draper said Tuesday that he believes the bank will be able to recover this year's losses when the finances of countries such as Mexico, Argentina, Venezuela and Guatemala take a turn for the better. All have loans on which the bank is facing potential losses.

"Many of them arise from transactions involving private buyers who will continue to remain in business," Mr. Draper said. Aides explained later that in Mexico, companies are barred by government currency restrictions from paying off loans used to finance purchase of U.S. exports.

Mr. Draper said the bank is not writing off loans to countries that he believes will repay their debts "once they are financially able to do so."

Despite the losses, Mr. Draper said the Ex-Im Bank is continuing to make loans to companies in Mexico, including two recently approved lines of credit of \$100 million each to be used to support purchases of U.S. exports. It now has more than \$24 billion worth of exposure in Mexico.

"The Ex-Im Bank has no choice but to bear the responsibility for leadership in these troubled markets," Mr. Draper said.

"If credit is turned off in these countries, they will be unable to buy U.S. goods and services, which

could endanger the U.S. and world recovery."

The Export-Import Bank was designed to help promote U.S. sales abroad by supplementing normal commercial financing for U.S. exports through loan, guarantee and insurance programs.

Under sharp questioning by Senator Robert W. Kasten Jr., a Republican of Wisconsin, who is chairman of the Senate Appropriation Committee's subcommittee on foreign operations, Mr. Draper said the bank's business dropped last year as the worldwide recession cut the market for U.S. exports.

Although Congress authorized \$4.4 billion for the bank, it spent only about \$3.8 billion, which Mr. Kasten complained was just what the Reagan administration said the bank should get.

Mr. Draper said: "We had plenty of authorization. We just couldn't use it. There just weren't enough applications."

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Term	May	Aug	Nov
400	31.00-35.00	30.25-34.25	—
600	15.50-19.50	20.00-24.00	28.00-32.00
800	10.00-13.00	24.50-28.50	32.00-36.00
500	7.00-10.00	17.00-21.00	24.50-28.50

Gold 423.00-425.00

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Weekly net asset value



Tokyo Pacific Holdings N.V.

on March 7, 1983: U.S. \$86.73.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Hekking &amp; Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

## Some World Bank Projects Falter

(Continued from Page 17)

lending programs, have to adjust to new priorities," said Ernest Stern, senior vice president of the International Bank for Reconstruction and Development, as the World Bank is formally known. The institution, which has 146 member nations, commits \$12 billion a year in loans to poor countries.

What befell limestone clinkers has also affected sugar projects in Jamaica and the Dominican Republic, tobacco projects in Tanzania and iron ore projects in Malaysia. Prices dropped, and costs rose. The projects became less justifiable in economic terms.

The World Bank's overall index of 33 commodity prices shows a 25-percent decline in nominal terms between 1980 and 1982. This led to a drop of similar proportions in the terms of trade of the poorest countries over the same period.

This has sharpened the financial squeeze on these countries, thus affecting World Bank projects. The bank requires many countries seeking loans to put some of their own money into projects — ranging from 40 percent to as little as 5 or 10 percent. "Many countries just don't have the money to put up the counterpart funds," explained James B. Burnham, who represents the United States at the World Bank.

But World Bank officials caution against concluding that projects planned in the 1970s have lost their economic justification in the 1980s. Fewer than 1 percent of World Bank-supported projects have been terminated, out of more than \$100 billion lent since 1945, and none has been canceled in the past 12 months, a bank official said. If a project's economic justification is questioned, he said, the project can be redesigned because "we don't insist that a country be saddled with white elephants."

The World Bank makes loans at near-market interest rates to sup-

port a variety of long-range projects in such fields as energy, agriculture, education, health services, port development and roads. It also makes interest-free loans for similar purposes to the poorest countries.

Despite the prospect of lower energy costs, the World Bank maintains that energy loans, accounting for about one-quarter of new lending, will eventually prove highly beneficial. "Any increase in indigenous energy production will save foreign exchange for other needed imports," a bank official said.

A growing number of World Bank projects have been affected by cuts in the investment plans of Yugoslavia, Brazil, Mexico, Pakistan, Zambia, Togo and other countries because of the financial constraints arising from their debt problems.

## U.K. Banks to Offer New Check Systems

LONDON — Starting May 1, British banks will begin new systems for cashing checks under the Eurocheque program and limiting the standard £50 (\$75) check card to use in Britain only, banking officials announced Wednesday.

Most major banks will issue Eurocheque Encashment Cards, which will have an "EC" symbol and will entitle the bearer, outside Britain, to the same encashment facilities for sterling checks as the standard domestic card.

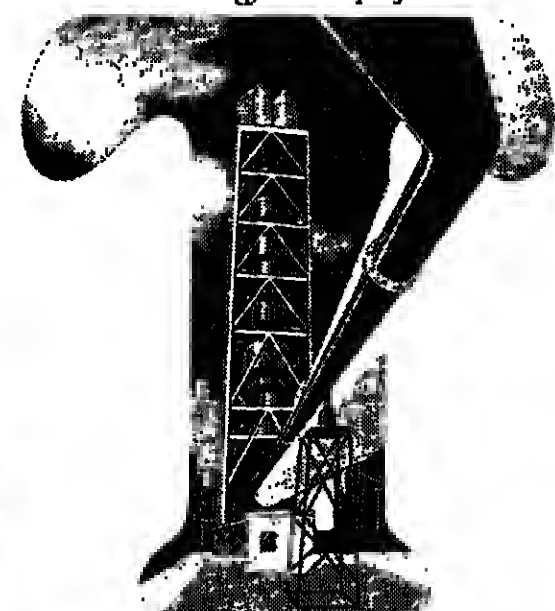
## Swiss Inflation Increases

BERN — Swiss consumer prices rose 0.1 percent in February after falling 0.1 percent in January, officials announced Wednesday. The year on year rise was 4.8 percent, unchanged from January.

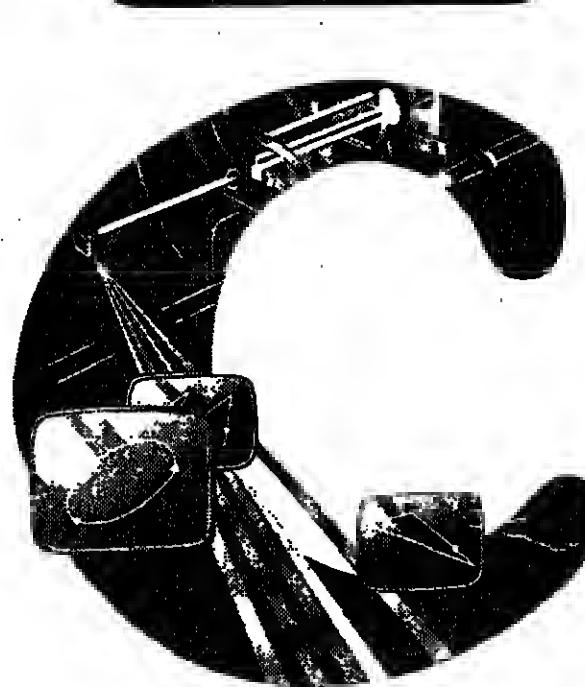
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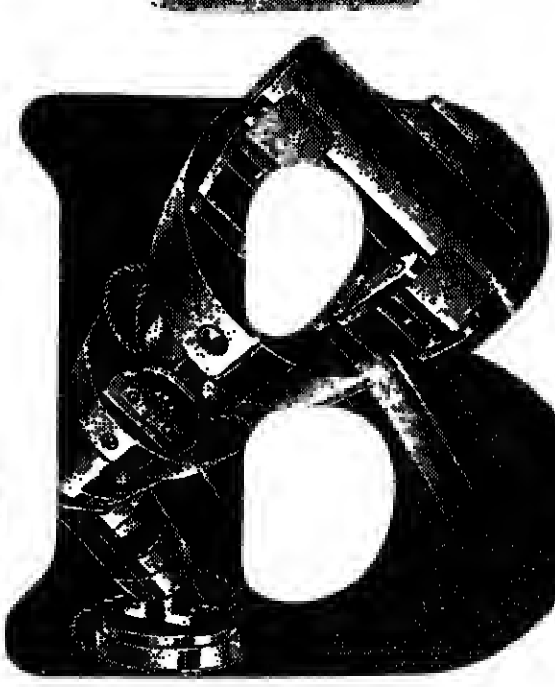
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New Issue  
March 10, 1983

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Aktiengesellschaft

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Limited  
Credit Suisse First Boston  
Limited  
Swiss Bank Corporation  
International Limited







Tables include the nationwide prices up to the closing on Wall Street.

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## Brooklyn Boys 25 Years Later

By Dave Anderson  
New York Times Staff

NEW YORK — The title was appropriated by the author Roger Kahn from the phrase of a poet, Dylan Thomas once wrote, "I see the boys of summer in their ruin." But the title of Roger Kahn's book continues to define a certain team in a certain time — the Brooklyn Dodgers of three decades ago. At its spring training base in Vero Beach, Florida, now, the Dodgers organization likes of the upcoming baseball season being the anniversary of the club's arrival in Los Angeles. But to anyone who remembers those Dodgers, the club's emphasis is backwards. It's the 25th anniversary of the Dodgers abandoning Brooklyn.

In baseball or any sport, most famous teams gradually separate, if not disintegrate. But the phrase has kept the Boys of Summer tied together. They don't see one another that often. But they are always thought of as a group. Mention one and you mention the others. Baseball old-timers talk about the 1927 Yankees as having had a similar group identity, but only a few are still alive.

Now these Boys of Summer have been spliced together for a charming and compelling two-hour U.S. television special produced and written by Marty Bell.

As they talk of their time, they are seen occasionally in old black-and-white film as they were then, but mostly as they are now. Pee Wee Reese, Duke Snider, broadcasting a Montreal Expos game. Roy Campanella, being lifted out of his wheelchair into the front seat of an automobile. Carl Furillo acknowledging he has leukemia. Carl Erskine swimming with his retarded son. Preacher Roe showing how he doctor his spitball. Joe Black at his desk as a Greyhound bus executive. Clem Labine putting an arm around his son who lost a leg in Vietnam.

In the decade since Kahn revisited the Boys of Summer for the book, Jackie Robinson has died. So has Hodges, and so has Billy Cox.

Even so, Robinson remains the most dominating personality on the television show, just as he was on the team. More than anyone else, Robinson gave those Dodgers their identity as the "Jackie Robinson Dodgers," the first integrated major league baseball team. But in one of Kahn's lines that is repeated on the show by the host, Sid Caesar, nobody went to Ebbets Field for sociology.

"I don't know what made it different," Reese says on the show of having played in Brooklyn then, "but it was."

One element that made it different was the rivalry with the New York Giants, who later went to San Francisco for the 1958 season as passengers in Walter O'Malley's covered wagon.

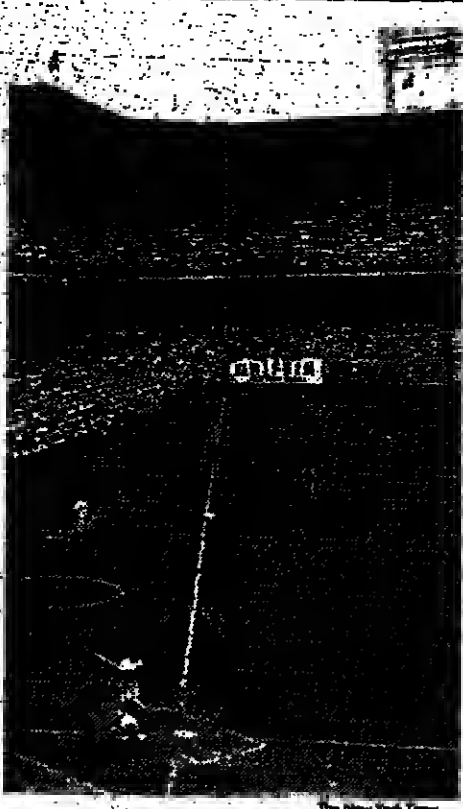
"We hated the Giants," recalls Furillo, "we just hated the uniform."

After the 1956 season, the Dodgers dared to trade Robinson to the Giants for Dick Littlefield, left-handed pitcher, and \$30,000, a fairly substantial sum then. But rather than report, Robinson retired from baseball; the deal was canceled.

"Of all people, the Giants," remembers Reese with a sneer, "I'd have been disappointed if he'd one. Glad he didn't go."

Another element that made it different was that, until 1955, those Dodgers lost four World Series to another neighbor, the Yankees.

"Billy Martin, now he was a mediocre hitter," Furillo says of the Yankee second baseman who, after 500 with a record 12 hits in the 1953 World Series. "Pretty good second baseman, but a mediocre hitter. Yet, when he played us in Ebbets Field I think he hit two doubles or two triples into right-center field."



Jackie Robinson batting against the Cincinnati Reds at Ebbets Field in 1951.

In old film, Furillo is seen fielding balls at Ebbets Field off the scoreboard and the angled right-field wall.

"They used to give a suit to anybody who'd hit that sign," Reese says, referring to the Abe Stark clothing sign at the base of the scoreboard. "But Furillo played right in front of it. Nobody ever hit it."

Some of the Boys chide Snider, now a Hall of Famer, for not having been an even better player.

"I once asked him, 'Why don't you charge those ground balls? These guys don't even hesitate at second base,'" Reese says. "He said, 'I was an infielder when I was younger and I hated those ground balls and I still hate 'em.'"

"He could've been greater," Labine says.

Roe, now doing public relations for a bank in West Plains, Missouri, after years of owning a food market there, stands in his backyard with a baseball as if he suddenly needed to throw his spitball for a strike.

But like the book, much of the show is concerned with what makes the men, for better or for worse.

Of Labine's search for the love of his son, Jay Labine's resentment of living in his father's shadow as a youngster almost slashes the television screen when he says, "I didn't pitch for the damn Dodgers, I'm me." As he talks about it, Clem Labine weeps.

Of Joe Black, married five times, being with his 12-year-old daughter as she practices long jumps in the Arizona heat.

"Men see their children 3 years old," he says. "The next time they look they say, 'I didn't know you were 14.'"

Of Erskine, now the president of an Indiana bank, trying without success to teach his retarded son, Jimmy, to say, "No, thank you" to others instead of grunting.

One day Jimmy did something that merited a spanking. "I took him upstairs," Erskine says. "He looked at me. He said, 'No, thank you.'"

Even 25 years later the Boys of Summer have never really left Brooklyn, and they never will.

## Women's Ski Battle Tightens; Mahre Wins Again

### McKinney Regains Lead As Steiner Wins Slalom

The Associated Press

WATERVILLE VALLEY, New Hampshire — Roswitha Steiner, a 19-year-old Austrian, earned her first World Cup victory in Tuesday's slalom race here. But Tamara McKinney, the American runner-up, took over the lead in the overall standings.

Steiner, who led by 28 hundredths of a second after the first run down an icy Mount Tecumseh, covered the second tract through 54 gates in 49.83 seconds for a cumulative time of 1 minute, 33.84 seconds.

Her run, the fourth fastest of the second heat, pushed McKinney into second place. But McKinney, 20 years old, earned 20 points to regain the lead in the fevered chase for the women's overall championship.

McKinney has 182 points, seven better than Erika Hess of Switzerland and nine more than Hanni Wenzel of Liechtenstein.

"I was kind of cautious in the middle part, and that may have made the difference," McKinney said of Tuesday's race. "But at least I finished one. I hadn't finished one in a while."

McKinney fell in her last three races, errors that cost her the overall lead.

Wenzel, the fastest on the second run with a time of 49.38 seconds, rallied from sixth after the opening heat to finish third. But she netted only three points under the World Cup scoring system, which allows a racer to count her four best finishes in each discipline toward the overall total.

McKinney was allowed to keep all 20 of her points because she had scored in only three previous slaloms.

Hess, a two-time slalom winner this season, was fifth after the first run, but was a quick casualty in the second.

Seconds into her afternoon heat she apparently caught her ski edge and toppled while approaching a gate.

The race was delayed for more than an hour because of ice covering the track. Dozens of workers pounded the course with their ski boots to break the ice, and a dozen forerunners then skied the slope to clear the chumps.

"The course was very good," Steiner said. "But outside of it, it was terrible. I wouldn't like to have skied out there."

Hess, however, ended up on the icy crust—and saw her overall leadership away. But she received some solace in clinching her third straight slalom championship. The 1982 overall champion has 110 slalom points, to 99 for Maria Rosa

Quario of Italy. Only the slalom at Furano, Japan, remains.

Steiner was surprised at her performance because her best previous World Cup finish was a pair of fourths earlier this year.

"I don't believe it," she said. "I didn't believe it after the first run, and I don't believe it now."

"I wasn't that confident in the second run. I had let before after the first run [at Davos, Switzerland, this year] but didn't win. This time, I decided to relax."

WOMEN'S SLALOM

1. Roswitha Steiner, Austria, 1:33.84
2. Tamara McKinney, U.S., 1:34.21
3. Hanni Wenzel, Liechtenstein, 1:34.62
4. Monika Haus, Switzerland, 1:34.93
5. Roswitha Steiner, Austria, 1:34.93
6. Anni Kronberger, Austria, 1:34.93
7. Olga Charvátová, Czechoslovakia, 1:34.93
8. Valérie Berthier, France, 1:34.93
9. Daniela Zini, Italy, 1:35.32
10. Dorotea Tjeltveit, Norway, 1:35.32
11. Petra Wenzel, Liechtenstein, 1:35.72
12. Anne-Flore Rey, France, 1:36.00
13. Polina Kharlamova, France, 1:36.29
14. Marie-Rose Guerin, Italy, 1:36.54
15. Michaela Gern, West Germany, 1:36.54

WORLD CUP STANDINGS

1. McKinney, 182 points
2. Erika Hess, Switzerland, 175
3. Hanni Wenzel, 172
4. Elisabeth Krieger, Austria, 144
5. Maria Wallner, Switzerland, 111
6. Irene Eickel, West Germany, 97
7. Doris Daegeler, Switzerland, 96
8. Kronberger, 92



Ingemar Stenmark: Dejected at Vail.

### Stenmark 2d at Vail

United Press International

VAIL, Colorado — Phil Mahre, who Monday effectively clinched his third straight World Cup championship with a giant slalom victory, won another giant slalom race Tuesday.

These are the only two races Mahre has won this year, and it is the first time since 1978 that he has won two consecutive races. Mahre had the second-fastest time in the first run and won the second run for a combined time of 3:03.00.

Ingemar Stenmark of Sweden faltered on the second course and finished second in a combined time of 3:03.14. Max Julen of Switzerland was third in 3:03.52.

In a series of one-word answers at the finish line, Stenmark reiterated that he would not go to Lake Louise, Alberta, for Saturday's final downhill of the season. A high finish in the downhill would be the only way Stenmark could challenge Phil Mahre for the overall title.

Mahre, commenting on slower times in the second run, said the gates "were a little bit further apart; they were set much more back and forth across the hill. You just had to turn a lot harder, so your speed was decreased."

Gerald Ford, the former president, was among the spectators.

"We're very proud of Phil's achievements and accomplishments but he knows better than I that he's got a lot of competition there," said Ford, who helped organize Tuesday's race — the first world-class event at Vail since 1969.

An estimated crowd of 10,000 lined the course for the second run Tuesday. That was the largest American audience for a world-class skiing event in the United States except for the Winter Olympics at Lake Placid in 1980.

"It was really exciting to see that many people coming out for a race, especially in the United States and especially on a Tuesday," Mahre said. "Crowd participation in the World Cup has dropped off tremendously in Europe the last two or three years and it's great to see this picking up in the United States."

Mahre said that the battle for the giant slalom title would be "very tight," and would be decided at Furano, Japan, in two weeks.

"That's a title I'd like to win," he said. "In skiing, the overall titles are important. But the individual titles are nice, too."

Stenmark leads the giant slalom standings with 100 points. Julen is next with 95, followed by Mahre with 92. Stenmark picked up 10 points with a triumph in Japan, while Julen can pick up only five and Mahre 14.

"It's going to be a good race in Japan," said Stenmark, who, like Mahre, has won three overall World Cup titles. Stenmark has lost out to Mahre the past three seasons because he does not compete in downhill racing.

MAHRE'S GIANT SLALOM

1. Phil Mahre, U.S., 3:03.00
2. Ingemar Stenmark, Sweden, 3:03.14
3. Max Julen, Switzerland, 3:03.52
4. Roberto Erbacher, Italy, 3:04.01
5. Hans Enn, Austria, 3:04.29
6. Franz Gruber, Austria, 3:04.32
7. Thomas Böhmer, Switzerland, 3:04.47
8. Steve Mahre, U.S., 3:04.51
9. Boris Strel, Yugoslavia, 3:04.57
10. Alex Gheorghiu, Italy, 3:05.01
11. Odd Sorell, Norway, 3:05.05
12. Patrick Lech, France, 3:05.21
13. Leonard Stock, Austria, 3:05.21
14. Guido Hinterseer, Austria, 3:05.27
15. Yves Tormer, France, 3:05.29

WORLD CUP STANDINGS

1. Phil Mahre, U.S., 270 points
2. Stenmark, 218
3. Marc Girardelli, Luxembourg, 168
4. Andreas Wenzel, Liechtenstein, 161
5. Florian Zurborg, Switzerland, 141
6. Peter Lüscher, Switzerland, 122
7. Peter Müller, Switzerland, 122
8. Steve Mahre, U.S., 108
9. Björn Krieger, Yugoslavia, 108

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NHL Standings

Wales Conference

W	L	T	Pts	GF	GA
Philadelphia	43	17	94	278	188
N.Y. Islanders	37	23	82	250	198
Washington	31	29	74	263	238
N.Y. Rangers	28	30	86	244	220
New Jersey	17	43	32	171	284
Pittsburgh	16	44	38	218	349

Adams Division

W	L	T	Pts	GF	GA
Boston	44	15	96	283	188
Montreal	35	24	89	246	228
Buffalo	30	29	81	271	228
Quebec	30	28	81	271	228
Hartford	16	44	38	222	349

Campbell Conference

W	L	T	Pts	GF	GA
Chicago	41	19	91	288	242
Minnesota	36	24	86	277	224
St. Louis	31	34	86	248	273
Toronto	26	34	82	242	278
Detroit	18	42	40	211	373

Smythe Division

W	L	T	Pts	GF	GA
Edmonton	39	20	88	348	282
Calgary	27	30	84	276	278
Vancouver	25	32	81	247	284
Los Angeles	24	33	81	258	274
Winnipeg	25	35	80	248	288

Winnipeg 5, New York 4 (Gustafsson 119), Hawthorn 120, Duchesne 141, Carpenter 2 181; Laver 121, Ludvig 161, Braten 121; Larmer 171

St. Louis 5, New York Islanders 0 (Reeds 12), Balaban 116, Petterson 2 180, Turnhill 2 181

Minnesota 5, Buffalo 1 (Bollens 128), Brown 128, Yarns 2 141; McDonald 111

McCortney 2 111, Rola 131, Smyth 131, Lanz 2 171, Sunstrom 191; Dave McIlwain 181, Heidermuller 121, Gustafsson 121

Chicago 4, Philadelphia 1 (Larmer 125), Petterson 121, Second 141, Savard 121; Simola 171

Edmonton 4, Hartford 4 (Roulet 118), Coffey 2 231, Hunter 121, Grefsky 2 121, Under 121; Volcan 141, Louvins 151, Shoultz 171, Hurlbut 171

Boston 11, Quebec 5 (Krummel 171), McNeil 3 181, K. Coward 2 181, Bourque 2 181, B. Crowder 171, Gaudet 181, A. Stenmyr 171, Richer 171, Polman 121

Hartford 2, Toronto 1 (Tremblay 2 124), Laffeur 121; Derpino 111, Harris 121; Anderson 121

Los Angeles 4, Calgary 4 (Wells 21), Holmes 171, Fox 124, Radowski 171, O'Brien 147, Evans 131; McDonald 187, Beers 181, Hixon 141, B. Green 181

## SPORTS BRIEFS

### irates, Fed Up, Seek to Deal Romo

RADENTON, Florida (UPI) — The Pittsburgh Pirates are trying to trade Enrique Romo, a relief pitcher who has yet to report to spring training camp.

I don't want him on the team," Chuck Tanner, the manager, said today after Romo missed his 18th workout of the Pirates' 1983 spring training. "I hope we can trade him. He can help some other big league team, but we have other guys who want to play in the big leagues. Maybe you doesn't want to play in the United States for big money. That's up to him."

Romo has said that he will not report because he wants to play in a sanctioned league in his native Mexico. His former agent, Seymour Weinstein, said that Romo was pointing over a sizable fine, estimated at \$500, he received last season for breaking training and being unavailable for some crucial games. Weinstein resigned this week as no agent because of frustration over his client's behavior.

### peration to Sideline Templeton

SAN DIEGO (AP) — Garry Templeton, starting shortstop for the San Diego Padres, was scheduled to undergo arthroscopic surgery on a thumb in an attempt to correct an arthritic condition in his left knee, a club spokesman announced.

"It's not good news for the club," said Jim Geschke, the spokesman. "We have no idea how long he will be out. It's a wait-and-see type of thing."

Templeton, obtained by San Diego from the St. Louis Cardinals in January 1982 in exchange for shortstop Ozzie Smith, hit .247 last season and had 64 runs batted in.

### BA Talks Called 'Informative'

NEW YORK (UPI) — In sharp contrast to last week's 24-minute meeting, representatives from the NBA Players Association and the league met for five hours Tuesday in an effort to avert a players' strike threatened for April 2.

The two sides met in two separate sessions, and Larry Fleisher, general counsel to the players association, characterized the talks as informative. We spent five hours outlining each other's positions," Fleisher said. Our last meeting was not really a meeting. It was more like each party asserting to each other."

The regular season concludes April 17, and the strike threat by the union is considered a pressure tactic to force the league into what the NBA perceives as serious bargaining. Much of the league's revenue is generated by an increase in television exposure and higher gates during a six-week playoff period.

### McAdoo Facing Surgery on Foot

GLEWOC, California (AP) — Bob McAdoo of the Los Angeles Lakers will undergo surgery on his injured right foot and will be lost to club for two or three weeks, the National Basketball Association announced.

McAdoo, averaging 15 points this season, has missed the Lakers' last games because of the injury to the fourth toe on his right foot. He was during practice on Feb. 16 but not placed on the injured list until Feb. 20.

### vrtilova, Evert Breeze in Dallas

LAS (AP) — Martina Navratilova and Chris Evert Lloyd both quick work of their first-round opponents in Tuesday's second round of the 1983 Dallas tennis tournament.

Navratilova, the defending champion and the world's top-ranked player, defeated Barker of England, 6-1, 6-2, while Evert, No. 2 in the world, 1 Mary Lou Piatek, 6-1, 6-0.

Navratilova, Hana Mandlikova, Dianne Fromholtz and Betina Bunge advanced.

## Hrbek, in Contract Feud, Boycotts Twins' Opener

United Press International

ORLANDO, Florida — In a move to protest the Minnesota Twins' latest contract offer, first baseman Kent Hrbek refused to play in the team's exhibition opener with the Toronto Blue Jays. The Twins lost the game, 6-4.

Hrbek, who is said to be asking for \$200,000, called the team's latest contract offer "ridiculous."

One of five Twins players still unsigned, Hrbek made the decision to sit out after his agent informed him of morning contract talks with Howard Ford, the team's executive vice president.

The other unsigned Twins players are third baseman Gary Gaetti, catcher Tim Lander, outfielder Tom Brunansky and rookie pitcher Paul Gibson. They reportedly are waiting to see what Hrbek settles on before negotiating.

Hrbek was originally scheduled to start at first base and bat fourth. But soon after arriving at the field on Tuesday he told Billy Garden, the manager, that he would not play.

Hrbek, 22, surprised many by jumping from Class A into the big leagues last year, completing a storied season. He hit .301 with 23 home runs and 92 RBIs. He finished second to Cal Ripken Jr. of Baltimore in balloting for Rookie of the Year.

"I didn't really expect to get what Ripken got this year but this wasn't even close," Hrbek said. Ripken signed this season for \$180,000 after hitting .264 with 28 home runs and 93 RBIs as a rookie shortstop.

Hrbek, a native of Bloomington, Minnesota, and therefore a big drawing card, was reportedly offered between \$75,000 and \$80,000. He started last season at the major league minimum at \$32,500 but his contract was rewritten at midseason, upping his pay to \$43,000.

Calvin Griffith, the Twins' owner, said Tuesday that there was "no way" Hrbek would get \$180,000 to play for the Twins. The Twins have the lowest payroll in baseball, averaging just over \$67,500 per player.

Hrbek, who is not eligible for arbitration until next year under league rules, said he expected to play Wednesday.

Transition

BASEBALL

PITTSBURGH — Signed Tom Houston, pitcher, in a free agent contract with the Pirates of the Pacific Coast League.

FOOTBALL

Buffalo — Signed Al Sandoz, assistant coach.

Condition: Football League

OTTAWA — Signed Larry Pivov, center, to a free agent contract with the Ottawa Rough Riders, a three-year contract.

HOCKEY

Los Angeles — Announced that they will keep the NHL rights to Mark Messier, goalie, who joined them in a contingency deal with the Minnesota North Stars. Assigned Don Bonar, center, and Ulf Sundin and Phil Suter, forwards, to New York of the American Hockey League. Recalled Warren Hecchi, center, from New Haven.

MINNESOTA — Traded Ken Solheim, left wing, to the Detroit Red Wings for a player to be named later.

NEW JERSEY — Assigned Larry Pivov, center, to the Chicago of the Central Hockey League. Loaned Yves Vautour, right wing, to the Montreal of American Hockey League in return for Edmonton's loan of Jeff Crawford, left wing, to the Chicago of the Central Hockey League.

NEW YORK RANGERS — Recalled Steve Wicks, goalie, from Tulsa of the Central Hockey League.

Exhibition Baseball

Tuesday's Games

## NBA Standings



